

FINAL DECISION
APT Petroleum Pipelines Ltd
(APTPPL) – Roma to Brisbane
Pipeline
Gas Transmission Determination
2027 to 2032

Reference service

November 2025

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Contents

Executive summary	1
1 Background	2
1.1 APTPPL gas transmission network	2
1.2 Reference services	2
1.3 Reference service proposal process	3
2 APTPPL's reference service proposal	4
2.1 APTPPL's stakeholder consultation	4
2.2 APTPPL's reference service proposal	5
3 AER assessment	6
3.1 AER stakeholder consultation	6
3.2 AER assessment of APTPPL's reference service proposal	6
Glossary	10

Executive summary

The Australian Energy Regulator (AER) works to make all Australian energy consumers better off, now and in the future. We regulate energy networks in all jurisdictions except Western Australia. We set the amount of revenue that network businesses can recover from customers for using these networks.

The National Gas Law and Rules (NGL and NGR) provide the regulatory framework governing gas transmission and distribution networks. Our work under this framework is guided by the National Gas Objective (NGO):

The objective of this Law is to promote efficient investment in, and efficient operation and use of, natural gas services for the long term interests of consumers of natural gas with respect to—

- (a) price, quality, safety, reliability and security of supply of natural gas; and
- (b) the achievement of targets set by a participating jurisdiction—
 - (i) for reducing Australia's greenhouse gas emissions; or
 - (ii) that are likely to contribute to reducing Australia's greenhouse gas emissions.

APTPL provides reticulated natural gas pipeline services in Queensland via the Roma to Brisbane Pipeline (RBP).

On 30 June 2025 APTPL submitted to the AER a reference service proposal for its gas transmission pipeline for the 2027–32 access arrangement period. We have assessed the proposal against the requirements set out in the NGR.

We published APTPL's proposal on the AER's website and called for submissions. One submission was received from the Energy Users' Association of Australia (EUAA).

Our final decision is to approve APTPL's reference service proposal. We consider the proposal is consistent with the regulatory requirements.

Under the NGR, gas network service providers are required to submit their reference service proposals to the AER 12 months in advance of the submission date for their access arrangement revisions proposal. APTPL's access arrangement revisions submission date is 1 July 2026, so its reference service proposal submission date was 1 July 2025.

The NGR require us to complete our assessment of a reference service proposal no later than 6 months in advance of the due date for submission of the relevant access arrangement revisions proposal. Therefore, we are required to conclude our assessment no later than 31 December 2025.

1 Background

This section discusses the reference service requirement in the NGR and describes APTPPL's Roma Brisbane Pipeline (RBP).

1.1 APTPPL gas transmission network

The RBP is a transmission pipeline extending around 440 kilometres from Wallumbilla in south central Queensland to Gibson Island in Brisbane. The RBP includes a number of laterals servicing gas fields proximate to its main trunk line. It transports natural gas from the Surat Basin, plus the Peat and Scotia gas fields, east to Brisbane and west to the Queensland Gas Pipeline (which runs from Wallumbilla to Rockhampton). Wallumbilla functions as a hub for supply of natural gas in Queensland.

1.2 Reference services

In preparing its reference service proposal and in undertaking our assessment, the NGR require APTPPL and ourselves to have regard to the NGR reference service factors:¹

- the actual and likely demand for the pipeline's services and the number of prospective users
- the extent to which the pipeline service is substitutable with another service
- the feasibility of allocating costs to the pipeline service
- the usefulness of specifying the pipeline service as a reference service in supporting negotiations and dispute resolution
- likely regulatory costs for all parties in specifying the pipeline service as a reference service.

Services we determine meet the reference service factors will be determined to be reference services. Services we determine do not meet the reference service factors will be treated as non-reference services.

Determining a service to be a reference service, as compared to it being a non-reference service, makes a significant difference to how the service is regulated.

Reference services are subject to AER price regulation. That is, we set reference tariffs for reference services. APTPPL and RBP users use reference services and reference tariffs as the basis for their negotiations for the actual services provided and tariffs paid. To be clear, actual services and tariffs may differ from the reference services and reference tariffs we determine, but reference services must be available to all RBP users at the applicable reference tariff.

Services we determine to be non-reference services are not subject to price regulation. This means gas networks set their own charges for non-reference services.

¹ NGR, cl. 47A(14).

1.3 Reference service proposal process

Gas network service providers are required to submit a separate reference service proposal to the AER for assessment 12 months in advance of the submission date for their access arrangement revisions proposal.

The NGR requires us to complete our assessment of a reference service proposal no later than 6 months in advance of the due date for submission of the relevant access arrangement revisions proposal.

APTPPL's access arrangement revisions submission date is 1 July 2026.² This means APTPPL was required to submit its reference service proposal to the AER by no later than 30 June 2025, which it did. We are required to conclude our assessment and release our decision no later than 31 December 2025.

An access arrangement must be consistent with our reference service proposal decision unless there has been a material change in circumstances.³

Our detailed compliance assessment against the relevant elements of the NGR (cl. 47A) is set out in section 3 of this decision paper.

² Access arrangement revisions for the 2027/28 to 2031/32 access arrangement period.

³ NGR cls.48(1)(b),(c) and (c1).

2 APTPPL's reference service proposal

This section outlines APTPPL's reference service proposal including the stakeholder consultation it undertook in developing its proposal.

2.1 APTPPL's stakeholder consultation

APTPPL submitted that it invited interested stakeholders to join its Stakeholder Reference Group and attend a co-creation workshop held on 30 April 2025 where the stakeholders were provided with an introduction to the reference service proposal.

APTPPL held its first Stakeholder Reference Group meeting on 4 June 2025 to discuss its reference service proposal in more detail, which included an open invitation to provide any feedback.

APTPPL submitted that the Stakeholder Reference Group includes a range of stakeholders with representatives from existing and prospective pipeline users as well as consumer advocates. The functions of the group include co-designing an engagement plan, providing input to development of the access arrangement, improving APTPPL's understanding of customer needs and expectations, providing advice on engagement materials and independent feedback on customer preferences.⁴

APTPPL submitted that its engagement objectives were co-designed with the Stakeholder Reference Group and are to deliver an access arrangement that is capable of acceptance and:⁵

- educates and directly responds to the needs and preferences of its customers, 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 government.

APTPPL submitted that its Stakeholder Reference Group identified a number of priority areas for engagement at the co-creation workshop:

- customer and community risk
- affordability
- reliability

⁴ APA, *Reference Service Proposal, Roma Brisbane Pipeline: 2027-32 Access Arrangement*, 30 June 2025, p 12.

⁵ APA, *Reference Service Proposal, Roma Brisbane Pipeline: 2027-32 Access Arrangement*, 30 June 2025, p.12.

- other topics of interest including negotiated services, issues with assets, the reference service proposal and the access arrangement.

On 20 June 2025 APTPPL shared a draft of its reference service proposal with Stakeholder Reference Group members and requested feedback by 27 June 2025. APTPPL received feedback from two stakeholders who indicated they had no concerns with the draft and one stakeholder who requested further clarification of the services, which was addressed.

2.2 APTPPL's reference service proposal

APTPPL proposed to largely retain its existing services in the 2027–32 RBP access arrangement period. The only change it proposed was to combine its current two reference services of east and west firm transportation services, into one reference service.

Reference services

As above, APTPPL proposed to combine its firm transportation east and west services as a single reference service on the RBP.

A firm transportation service is a service between any RBP receipt point and any delivery point on the pipeline where gas is transported between the two. APTPPL has limited ability to interrupt or curtail the service without incurring liability.

Non-reference services

APTPPL proposed to offer several non-reference services:⁶

- interruptible transportation
- firm and interruptible park and loan
- in-pipe trade
- operational capacity transfer (trading)

Rebateable services

Of the above non-reference services, APTPPL proposed to continue to offer the following as rebateable services, although noted it would consult with its stakeholders on in-pipe-trading and operational capacity transfer (trading):⁷

- park and loan (provided on either a firm or interruptible basis)
- in-pipe trading
- operational capacity transfer (trading).

As rebateable services, 70% of any revenues earned by APTPPL from providing these services are used to reduce future gas transportation reference tariffs. In this way, all RBP users receive a benefit from APTPPL's provision of these non-reference services while APTPPL retains an incentive (30% of the revenue) to provide them.

⁶ APA, *Reference Service Proposal, Roma Brisbane Pipeline: 2027-32 Access Arrangement*, 30 June 2025, pp. 15-20.

⁷ APA, *Reference Service Proposal, Roma Brisbane Pipeline: 2027-32 Access Arrangement*, 30 June 2025, pp. 19-20.

3 AER assessment

Our final decision is to approve APTPPL's reference service proposal. We consider the proposal is consistent with NGR cl. 47A.

For clarity, particularly given APTPPL proposed to consult further on these services, our final decision is to make the following services rebateable services:

- park and loan (provided on either a firm or interruptible basis)
- in-pipe trading
- operational capacity transfer (trading).

This section sets out our assessment of APTPPL's reference service proposal, including the stakeholder consultation we undertook.

3.1 AER stakeholder consultation

We published APTPPL's reference service proposal on the AER website on 2 July 2025. We called for written submissions by no later than 30 July 2025. To alert stakeholders to this process we issued an alert which was emailed to all AER website subscribers.

In response, we received one submission from the Energy Users' Association of Australia (EUAA), who is a member of the APTPPL Stakeholder Reference Group, which supported the RBP proposal.

APTPPL proposed to consult stakeholders on the rebateable in-pipe-trading and operational capacity transfer (trading) services after it submitted its reference service proposal. We note that our reference service proposal decision is binding. We may only accept a change in reference services, in the context of assessing APTPPL's access arrangement proposal, if we consider there has been a material change in circumstances.⁸

We also observe that APTPPL's stakeholder engagement on its reference service proposal appears to have been limited and involved a short window for comment on the draft proposal. While we accept that this reference service proposal is less contentious than some others, we encourage APTPPL to undertake its stakeholder engagement earlier and with appropriate breadth, to inform future regulatory proposals to the AER.

3.2 AER assessment of APTPPL's reference service proposal

To assess APTPPL's reference service proposal we considered the extent to which it conforms to each regulatory requirement set out in the NGR cl 47A. Our detailed assessment is set out in Table 3-1.

⁸ NGR, r. 48(1)(b), (c).

Table 3-1 Summary of NGR cl. 47A reference service requirements

NGR cl. 47A requirement	Compliance assessment
<p>(1) A service provider in respect of a full regulation pipeline must, whenever required to do so under subrule (3), submit to the AER a reference service proposal in respect of a forthcoming full access arrangement proposal that:</p>	
<p>(a) identifies the pipeline and includes a reference to a website at which a description of the pipeline can be inspected;</p>	<p>Compliant. See section 3 of APTPPL's reference service proposal.</p>
<p>(b) sets out a list of all the pipeline services that the service provider can reasonably provide on the pipeline and a description of those pipeline services having regard to the characteristics in subrule (2);</p>	<p>Compliant. See section 4 of APTPPL's reference service proposal.</p>
<p>(c) from the list referred to in subrule (1)(b), identifies at least one of those pipeline services that the service provider proposes to specify as reference services having regard to the reference service factors including any supporting information required by the AER; and</p>	<p>Compliant. See section 6 of APTPPL's reference service proposal.</p>
<p>(d) if the service provider has engaged with pipeline users and end users in developing its reference service proposal, describes any feedback received from those users about which pipeline services should be specified as reference services.</p>	<p>Compliant. See section 5 of APTPPL's reference service proposal.</p>
<p>(2) A pipeline service is to be treated as distinct from another pipeline service having regard to the characteristics of different pipeline services, including:</p>	<p>APTPPL's reference service proposal appropriately defines pipeline services in regard to their characteristics, priority and receipt points.</p>
<p>(a) the service type (for example, forward haul, backhaul, connection, park and loan);</p>	
<p>(b) the priority of the service relative to other pipeline services of the same type; and</p>	
<p>(c) the receipt and delivery points.</p>	
<p>(14) In deciding whether or not a pipeline service should be specified as a reference service, the AER must have regard to the reference service factors.</p>	<p>We have had regard to the reference service factors in assessing APTPPL's reference service proposal.</p>

(15) The reference service factors are:

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

APTPPL's reference service proposal is premised on there being ongoing high demand for the firm transportation service.

In respect of APTPPL's proposed non-reference services, it submitted these are either not frequently required, have never been used or are subject to uncertain and fluctuating demand.

We accept APTPPL's proposition that demand for its proposed non-reference services is difficult to forecast and/or likely to be low or nil.

(b) the extent to which the pipeline service is substitutable with another pipeline service to be specified as a reference service;

The firm transportation service is not substitutable with other services.

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

Costs may be allocated to the firm transportation 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) reference services serve 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;

To the extent there is demand for the non-reference services, specifying firm transportation services as reference services may be useful to users.

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

As above.

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

As above.

(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.

By retaining firm transportation as a reference service, regulatory costs for all parties will be minimised.

By retaining in-pipe trade and operational capacity transfer, and park and loan services as rebateable services, regulatory costs for

APTPPL will be minimal. The rebateable revenue framework is already in place.

By retaining the existing treatment of non-reference services, administrative costs are minimised.

Glossary

Term	Definition
AER	Australian Energy Regulator
APTPPL	APT Petroleum Pipelines Ltd
Cl.	clause
EUAA	Energy Users' Association of Australia
NGL	National Gas Law
NGO	National Gas Objective
NGR	National Gas Rules
RBP	Roma to Brisbane Pipeline