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Record number: D2026/082876

Container number: F2025/2640

Meg Zerafa

Director Reset Co-ordination and Strategy

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Australian Energy Regulator GPO Box 3131

Canberra ACT 2601

Email: [REDACTED] AERGasResets2026-31@acc.gov.au,

Dear Ms. Zerafa,

Power and Water Corporation's submission on the revised Amadeus Gas Pipeline 2026–31 Access Arrangement Proposal

Power and Water Corporation (Power and Water) is pleased to provide this submission relating to the revised Amadeus Gas Pipeline 2026–31 Access Arrangement Proposal (revised proposal).

This submission is supplemental to Power and Water's submission dated 8th October 2025 (first submission) and specially addresses the revised gas specification proposal.

Proposed gas specification in the revised proposal

The proposed change in gas specification is limited to removing the Glycols component and adding Oils of 20 millilitres per terajoule. APA's original proposal was to also change the Higher Heating Value and Wobbe Index, however, that part of the proposal has been withdrawn.

Power and Water Comment

The points contained in Power and Water's first submission also apply to the revised gas specification proposal. Fundamentally, Power and Water is supportive of APA's proposed changes to the gas specification and helping new producers enter the market. Equally, any change in the gas specification must be accompanied by transitional arrangements that address the associated legal, operational and safety implications. Transitional arrangements should address issues such as responsibility for the cost of stakeholders investigating impact and adapting equipment; ensuring downstream contractual obligations align; and a compensation framework for any losses incurred.

Power and Water sought feedback from customers regarding the gas specification changes in the revised proposal. One end user responded that it would need equipment installed to capture the proposed oil content; additional expenses would be incurred draining and disposing of the oils; and an engineering study estimated to cost \$100,000 would be required to quantify the cost impact. At the other extreme, another customer supported the proposed change. Several other responses were received that were not definitive. This illustrates that there is no unanimous view amongst our customers and that a precipitous decision may have both intended and unintended consequences. In any case, none of the responding parties appear to have undertaken a full and extensive impact assessment.

APA's overview of the revised proposal emphasises the absence of stakeholder feedback objecting to the specification changes. Power and Water submits that this should not be viewed as a tacit endorsement of the changes, based on the customer feedback referred to above; and the likelihood that customers would not generally be in a position to understand all the implications of the proposed changes without undertaking a professional assessment.

Power and Water respectfully submits that it might be appropriate for the Northern Territory Government to be consulted on any proposed changes in gas specification, to help ensure transition issues are considered and planned for holistically. That approach would be consistent with the Western Australian case study referred to in Power and Water's first submission, where the WA state government introduced legislation to address many of the issues raised here. If inclined to approve the change in gas specification as part of the current reset, the AER might consider making this subject to APA preparing an implementation plan addressing the flagged issues; and/or consultation with the Northern Territory Government.

Should you have any questions about this submission, please contact me on [REDACTED] or [REDACTED]

[REDACTED]

Yours sincerely

[REDACTED]

Matthew George
**Manager Gas Assurance and Regulation
Gas Services**

18 March 2026