



**APT Allgas Energy  
Pty Limited**

Access Arrangement

Effective  
01 July 2011 – 30 June 2016



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# 1 Introduction

## 1.1 *Purpose and Scope*

This Access Arrangement sets out the terms on which Users can access the APT Allgas Queensland Natural Gas Network.

The APT Allgas network supplies Natural Gas to End Users in Brisbane (south of the river), South Coast (extending into northern New South Wales), Toowoomba and Oakey through over 2,900 km of distribution mains. During FY10 a total of 10.5PJ was delivered to 81,823 End Users on behalf of 3 Users.

A more detailed description of the Network, including a map, is available on APA Group's website at [www.apa.com.au](http://www.apa.com.au), which shows the general location and key points of the Network (such as intersections with transmission pipelines).

Under the National Gas Rules, the owner or operator of a Covered Pipeline is required to lodge an Access Arrangement with (and have it approved by) the AER. APT Allgas' Network is a Covered Pipeline (by operation of item 7 of Schedule 3 of the *National Gas (Queensland) Law*).

The Access Arrangement must, as a minimum, contain the elements described in Rule 48. These include:

- (a) the terms and conditions on which the owner will provide each Reference Service; and
- (b) the owner's policy on Services, Reference Tariffs, trading, capacity management, and extensions.

The Access Arrangement must be accompanied by applicable Access Arrangement Information (Rule 43).

## 1.2 *Structure of this Access Arrangement*

The structure of this Access Arrangement reflects the requirements of the National Gas Rules discussed above, and is organised as follows:

- Pipeline Services – Part 2;
- Determination of Total Revenue – Part 3;
- Reference Tariffs – Part 4;
- Capacity Trading Requirements – Part 5; and



- Extension and Expansion Requirements – Part 6.

Appendices to the Access Arrangement contain:

- A: a glossary of terms.
- B: the tariff schedule for 2011-12.
- C: the Terms and Conditions.

Supporting information is provided in the Access Arrangement Information that has been submitted as a separate document.

### **1.3 Commencement of this Access Arrangement**

This Access Arrangement commenced on the date on which the approval of the AER took effect under Rule 62.

### **1.4 Revisions to this Access Arrangement**

APT Allgas will submit revisions to this Access Arrangement to the AER on or before 1 July 2015.

**Comment [Allgas1]:** AER amendment 12.27(1), discussed in section 12.5 of the submission

The revisions to this Access Arrangement will commence on the later of 1 July 2016 and the date on which the approval by the AER of the revisions to the Access Arrangement takes effect under the National Gas Rules.

APT Allgas may, at any other time, submit to the AER proposed revisions to this Access Arrangement together with the applicable Access Arrangement Information in accordance with Rule 65. Those revisions will commence in accordance with the National Gas Rules.

**Comment [Allgas2]:** AER amendment 12.27(2), discussed in section 12.5 of the submission

### **1.5 Contact Details**

General Manager Networks  
 Level 19, HSBC Building  
 580 George Street  
 Sydney NSW 2000  
  
 PO Box R41  
 Royal Exchange NSW 1225  
  
 Ph 02 9693 0057  
 Fax 02 9693 0093



**1.6 *Access Arrangement subject to applicable Gas Law***

All provisions in this Access Arrangement are subject to applicable Gas Law.

**1.7 *Interpretation***

Terms in this Access Arrangement have the meaning given in the glossary in Appendix A and defined terms appear with initial capital letters.

Unless otherwise stated, references to Part and Clause numbers are references to Parts and Clauses in this Access Arrangement, and references to Rules refer to the National Gas Rules.



## 2 Pipeline services

This Part applies to all Reference Services and any additional Services, and sets out a description of the Services offered, the types of Users who may access those Services, and the conditions associated with those Services. To the extent practicable and reasonable, APT Allgas will provide separate tariffs for elements of any Service if requested by a User.

To the extent practicable and reasonable, APT Allgas may also provide Additional Services not covered under this Access Arrangement where requested by a User. These include Non-Reference Ancillary Services and Negotiated Services as detailed in clause 2.2.

The terms and conditions attached to this Access Arrangement apply to all Reference Services provided to Users.

Each User must enter into an Access Agreement applicable to that Service and that User. These agreements include a:

- standard agreement as covered by the terms and conditions of this Access Arrangement; or
- negotiated agreement where agreed by both the User and APT Allgas.

### 2.1 *Reference Services*

The Reference Services available under this Access Arrangement are:

- Volume Customer Service;
- Demand Customer Service; and
- Reference Ancillary Services.

The Volume and Demand Customer Services are for forward haulage of gas and include:

- (a) receiving Natural Gas from or for the account of the User at each Receipt Point;
- (b) transporting Natural Gas from each Receipt Point through the Network;
- (c) delivering Natural Gas to or for the account of the User through each Delivery Point;
- (d) provision of data on metered volumes (in energy terms) from Delivery Points at scheduled intervals; and



- (e) Gas Balancing for the Network as required under the Retail Market Procedures.

These Reference Services apply to all existing End Users except where pre-existing contractual arrangements provide alternative arrangements. All Prospective Users can request an Access Agreement under the terms and conditions associated with the Reference Services. However, under certain circumstances, including those requiring difficult or lengthy Network extensions, Prospective Users may be required to negotiate specific arrangements outside of the Reference Services.

APT Allgas will determine from time to time the category of Reference Service applicable to each End User. The APT Allgas determination will bind the User. APT Allgas will not be liable for any costs incurred by the User or the End User as a result of an incorrect determination by APT Allgas of the End User's Reference Service category.

## 2.1.1 Volume Customer Service

### *Description*

The Volume Customer Service is available where the End User is reasonably expected to withdraw a quantity of Natural Gas less than 10TJ per Year. This Service provides for the transportation of gas delivered into the Network by or on behalf of the End User. Deliveries of gas may only be curtailed or interrupted in specified circumstances (eg. emergencies, events of force majeure, Network maintenance as described in the Terms and Conditions in Appendix C).

**Comment [Allgas3]:** AER amendment 10.3, discussed in section 10.2 of the submission

### *Qualifications*

End Users at Single Premises existing at the commencement of this Access Arrangement, whose total consumption at the Single Premises is less than 10TJ/Year, qualify for this Service. This Service applies to a single connection facility only.

**Comment [Allgas4]:** AER amendment 10.3, discussed in section 10.2 of the submission

### *Terms and Conditions*

The general Terms and Conditions in Appendix C apply to the Volume Customer Service.

For End Users utilising the Volume Customer Service, APT Allgas will provide a guaranteed minimum delivery pressure of 1.125kPa. Minimum delivery pressures in excess of 1.125kPa may be provided on a negotiated basis, at the discretion of APT Allgas and subject to Network constraints. APT Allgas does not warrant that appliances requiring minimum delivery pressures above 1.125kPa can be connected and Users should ensure that they contact APT Allgas before such appliances are connected.





## 2.1.2 Demand Customer Service

### *Description*

The Demand Customer Service is available where the End User is reasonably expected to withdraw a quantity of Natural Gas of greater than 10TJ per Year. This Service provides for the transportation of gas delivered into the Network by or on behalf of the End User. Deliveries of gas may only be curtailed or interrupted in specified circumstances (eg. emergencies, events of force majeure, Network maintenance as described in the Terms and Conditions in Appendix C).

**Comment [Allgas5]:** AER amendment 10.3, discussed in section 10.2 of the submission

### *Qualifications*

Users must have an annual usage quantity of at least 10TJ at a single Delivery Point. This usage must be based on actual consumption in the past 12 months unless otherwise agreed by APT Allgas.

**Comment [Allgas6]:** AER amendment 10.3, discussed in section 10.2 of the submission

End Users at Single Premises that existed prior to 2001 and whose total consumption at the Single Premises is at least 10TJ per annum, qualify for this Service and are considered to have a single Delivery Point for this qualification. For new End Users at new or existing Single Premises this Service applies to a single connection facility only.

**Comment [Allgas7]:** AER amendment 10.3, discussed in section 10.2 of the submission

### *Terms and Conditions*

The general Terms and Conditions in Appendix C apply to the Demand Customer Service.

Reference Tariffs are on a zonal basis with maps of the relevant zones provided in the APT Allgas Access Arrangement Information.

Users are charged according to the Agreed Demand (MHQ) to be delivered to their Delivery Point. The Agreed Demand shall be nominated and fixed by APT Allgas for each User's Delivery Point. An End-User's Agreed Demand will only be revised when they require additional capital expenditure spent on the Network or Delivery Point.

Users are also charged based on the required daily throughput to be delivered to each Delivery Point (MDQ). For End Users with Interval Metering, the MDQ will be set at the maximum MDQ for that End User in the previous Year unless otherwise agreed. For End Users without Interval Metering, the MDQ shall be nominated by APT Allgas and will be based on the maximum average daily quantity calculated monthly for that End User in the previous Year multiplied by a factor of 1.3.

For End Users utilising the Demand Customer Service, APT Allgas will provide a guaranteed minimum delivery pressure of 1.125kPa. Minimum delivery pressures in excess of 1.125kPa may be provided on a negotiated basis, at the discretion of APT Allgas and subject to Network constraints. APT Allgas does not warrant that appliances requiring minimum delivery pressures above 1.125kPa can be connected and Users should ensure that they contact APT Allgas before such appliances are



connected. Other minimum guaranteed delivery pressures must be specifically negotiated with APT Allgas.

### 2.1.3 Reference Ancillary Services

#### *Description*

The Ancillary Services classified as Reference Ancillary Services are the Special Meter Reading Service, Inlet Disconnection and Inlet Reconnection Services. These Services provide for:

- Special Meter Reading - at the request of the User, where the Meter reading is not a scheduled Meter reading (including final Meter readings);
- Inlet Disconnection Service - physical disconnection of pipe-work joining a Delivery Point to the Network; and
- Inlet Reconnection Service - physical reconnection of a Delivery Point and includes, where it is safe to do so and reasonable access has been provided, relighting any appliances installed at the place or premises to which gas is delivered through the Delivery Point under the Volume Customer Service.

**Comment [Allgas8]:** AER amendment 2.1, discussed in section 2 of the submission

#### *Qualifications*

No fee will be applied for scheduled Meter readings when End Users switch Users.

#### *Terms and Conditions*

The general Terms and Conditions in Appendix C apply to the Reference Ancillary Services.

The costs for the Ancillary Services have been included in the cost base for the determination of Reference Tariffs. The unit cost of providing the Reference Ancillary Services is met by the fixed charges listed in Appendix B, which will be updated on an annual basis.

## 2.2 *Additional Services*

APT Allgas offers a number of other Services in addition to the Reference Services. Users can contact APT Allgas for a complete list of non-reference Ancillary Services.

In relation to the APT Allgas Terms and Conditions, APT Allgas will negotiate other terms and conditions if requested by the User and, if agreement is reached, the resulting Service will be provided as a Service other than a Reference Service.

If requested to do so by a User, APT Allgas will, to the extent that it is practicable, reasonable and commercially viable to do so, provide a separate tariff for an element of a Negotiated Service.



## 3 Determination of total revenue

### 3.1 *Principles*

Where required under the National Gas Law and National Gas Rules, the building block components used to determine Total Revenue have been derived in accordance with the revenue and pricing principles set out in subsections (2)–(7) of section 24 of the National Gas Law.

Total Revenue was calculated using a building block approach in accordance with Rule 76.

In addition, Total Revenue may vary during the Access Arrangement Period, as Reference Tariffs are varied (see clause 4.5 of this Access Arrangement).

Reference Tariffs were determined using a nominal vanilla Weighted Average Cost of Capital resulting in a return on capital over the Access Arrangement Period as detailed in the Access Arrangement Information.

The expected revenue for each tariff class has been allocated on the basis of Rule 94.

### 3.2 *New Capital Expenditure*

Reference Tariffs have been determined on the basis of:

- the Capital Base; and
- New Capital Expenditure that is forecast to occur within the Access Arrangement Period and is reasonably expected to satisfy the requirements of Rule 79 (Forecast Capital).

APT Allgas may increase the Capital Base for the Network for any part of the New Capital Expenditure that satisfies Rule 79.

APT Allgas may undertake New Capital Expenditure that does not satisfy Rule 79. Where APT Allgas does so, APT Allgas may increase the Capital Base for any part of that New Capital Expenditure that does satisfy Rule 79. APT Allgas may also increase the Capital Base for Capital Contributions under Rules 82(2) and (3).

Where Capital Contributions are rolled into the Capital Base under Rule 82(2), the following mechanism is applied to ensure that APT Allgas does not receive any



benefit through increased Revenue from that User's contribution to the Capital Base.<sup>1</sup>

Capital Contributions are treated as Revenue in the year in which they are received. The forecast amount of Capital Contributions is then deducted from the total Revenue requirement in determining the Revenue requirement to be recovered through Tariffs. Through this process, APT Allgas returns to customers, by way of lower Tariffs, the full benefit associated with the return on and return of contributed capital. The up-front reduction in Tariff revenue exactly equals, in present value terms, the return on and return of capital over the life of the capital investment.

The amount that does not satisfy the requirements of Rule 79, to the extent that it is not to be recovered through a Surcharge on users or a Capital Contribution, forms part of the Speculative Capital Expenditure Account (as contemplated by Rule 84). APT Allgas may increase the Capital Base in accordance with Rule 84(3) if a part of the Speculative Capital Expenditure Account subsequently satisfies the requirements of Rule 79.

Any increase in the Capital Base under this clause, or in accordance with Rule 80, may only take effect from the Revisions Commencement Date, or in accordance with the operation of the Cost Pass-through Reference Tariff Variation Mechanism.

### **3.3 *Surcharge***

APT Allgas may charge Users a Surcharge where permitted by the National Gas Rules. APT Allgas will notify the AER of any proposed Surcharge to be levied on users of incremental services and designed to recover non-conforming capital expenditure or a specified portion of non-conforming capital expenditure. Non-conforming capital expenditure which is recovered by means of a Surcharge will not be rolled into the Capital Base.

### **3.4 *Capital Contributions***

APT Allgas may charge Users a Capital Contribution to new capital expenditure where permitted by the National Gas Rules (see Rule 82).

### **3.5 *Depreciation for opening capital base for next access arrangement period***

The depreciation schedule for establishing the opening tax asset base at 1 July 2016 will be based on forecast capital expenditure.

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<sup>1</sup> As required under Rule 82(3)



## **4 Reference Tariffs**

### **4.1 *General***

Numerical values for Reference Tariffs are expressed in real 2011/2012 dollars throughout this Access Arrangement.

The Reference Tariffs shown in this Access Arrangement are exclusive of GST.

### **4.2 *Date of application of Reference Tariffs***

Reference Tariffs apply from the date on which the approval of the AER takes effect under Rule 62.

### **4.3 *Reference Tariffs after 1 July 2016***

If the Revisions Commencement Date is later than 1 July 2016, the Reference Tariffs and terms for a Reference Service as at 30 June 2015 will continue to apply until the Revisions Commencement Date.

Upon the introduction of new Reference Tariffs or terms, those Tariffs or terms will apply to the Reference Services regardless of whether the Reference Services are existing Services being supplied to a User as at the Revisions Commencement Date.

If the categories of services under the revised Access Arrangement have changed, the applicable Reference Tariff and terms for an existing Service being supplied to a User as at the Revisions Commencement Date are the Tariff and terms for the nearest comparable service under the revised Access Arrangement.

### **4.4 *Reference Tariffs for each Reference Service***

Reference Tariffs for each Reference Service are shown in Appendix B.

The structure of the Reference Tariffs for the Volume Customer Service, Demand Customer Service and Reference Ancillary Services is shown in Table 4.1 below.



Table 4.1 Tariff Structure

Volume Customer Service	Demand Customer Service
Fixed daily supply charge	Daily charge based on Agreed Demand (MHQ)
Throughput charged based on average daily consumption for billing period	Throughput charge based on MDQ
Reference Ancillary Service charges applicable to site	Reference Ancillary Service charges applicable to site

Charges for Volume Customer Service consist of a fixed daily supply component plus a throughput charge based on average daily consumption for the relevant billing period plus any applicable Reference Ancillary Services charges. APT Allgas will charge these components to the User in accordance with the tariff schedule set out in Appendix B, which will be updated on an annual basis.

Charges for Demand Customer Service include a fixed daily supply component based on the site Agreed Demand (MHQ) plus a daily throughput charge based on the applicable MDQ for the relevant billing period plus any applicable Reference Ancillary Services charges. APT Allgas will charge these components to the User in accordance with the tariff schedule set out in Appendix B, which will be updated on an annual basis.

#### 4.5 *Reference Tariff Variation Mechanism*

##### 4.5.1 Varying reference tariffs within the Access Arrangement Period

Rule 97 provides that Reference Tariffs may vary during the Access Arrangement Period pursuant to a number of methods as set out in that Rule.

This Access Arrangement includes two Reference Tariff Variation Mechanisms:

- an Annual Scheduled Reference Tariff Adjustment Formula Mechanism - which applies in respect of each Year during the Access Arrangement Period; and
- Cost Pass-through Reference Tariff Variation Mechanism - under which APT Allgas may seek to vary one or more of the Reference Tariffs.

##### 4.5.2 Annual Reference Tariff Adjustment Formula Mechanism

The Service Provider will implement its CPI-X price path for the Financial Years commencing on or after 1 July 2012 using the Annual Tariff Variation Mechanism specified as the following formula:

**Comment [Allgas9]:** AER amendment 11.2, discussed in section 11.2 of the submission



**Tariff Control Formula**

$$(CPI_t)(1 - X_t) \geq \frac{\sum_{i=1}^n \sum_{j=1}^m p_t^{ij} \cdot q_{t-2}^{ij}}{\sum_{i=1}^n \sum_{j=1}^m p_{t-1}^{ij} \cdot q_{t-2}^{ij}}$$

where:

$CPI_t$  is calculated as the CPI for the year ending 31 March immediately preceding the start of year t, divided by the CPI for the year ending 31 March immediately preceding the start of year t-1;

$X_t$  is defined by the alignment of the Service Provider's building block revenue requirement with the NPV of its forecast revenues and is determined to be:

$X_t$  is -0.13 for 2012–13

$X_t$  is -0.10 for 2013–14

$X_t$  is -0.08 for 2014–15

$X_t$  is -0.03 for 2015–16

$n$  is the number of different Reference Tariffs

$m$  is the different components, elements or variables ('components') comprised within a Reference Tariff

$p_t^{ij}$  is the proposed component  $j$  of Reference Tariff  $i$  in year  $t$

$p_{t-1}^{ij}$  is the prevailing component  $j$  of Reference Tariff  $i$  in year  $t-1$ , and

$q_{t-2}^{ij}$  is the quantity of component  $j$  of Reference Tariff  $i$  that was sold in year  $t-2$

**Rebalancing Control Formula**

$$(CPI_t)(1 - X_t)(1 + Y_t) \geq \frac{\sum_{j=1}^m p_t^j \cdot q_{t-2}^j}{\sum_{j=1}^m p_{t-1}^j \cdot q_{t-2}^j}, i = 1, \dots, n$$

where:

$CPI_t$  is calculated as the CPI for the year ending 31 March immediately preceding the start of year t, divided by the CPI for the year ending 31 March immediately preceding the start of year t-1;

$X_t$  is defined by the alignment of the Service Provider's building block

**Comment [Allgas10]:** AER amendment 11.2(a), discussed in section 11.2 of the submission



revenue requirement with the NPV of its forecast revenues and is determined to be:

$X_t$	is -0.13 for 2012–13
$X_t$	is -0.10 for 2013–14
$X_t$	is -0.08 for 2014–15
$X_t$	is -0.03 for 2015–16
$Y_t$	is 0.02
$n$	is the number of different Reference Tariffs
$m$	is the different components, elements or variables ('components') comprised within a Reference Tariff
$p_t^{ij}$	is the proposed component $j$ of Reference Tariff $i$ in year $t$
$p_{t-1}^{ij}$	is the prevailing component $j$ of Reference Tariff $i$ in year $t-1$ , and
$q_{t-2}^{ij}$	is the quantity of component $j$ of Reference Tariff $i$ that was sold in year $t-2$

#### *Price Adjustments for Reference Ancillary Services*

The charge for the Reference Ancillary Services will be adjusted in accordance with CPI.

$$\text{Revised Rate} = \text{Rate} * (1 + \text{CPI}\%)$$

All revised Reference Tariffs will be rounded to the same number of decimal places for that Reference Tariff as provided in Appendix B of this Access Arrangement.

#### 4.5.3 Process for Annual Reference Tariff Adjustment

APT Allgas will notify the AER in respect of any Reference Tariff variations, such that variations occur on the first of July of any year. The notification will be made at least 40 business days before the date of implementation and include:

- (a) the proposed variations to the Reference Tariffs;
- (b) an explanation and details of how the proposed variations have been calculated;
- (c) a statement to support the gas quantity inputs in the tariff variation formula reflecting the most recent actual annual quantities available at the time of the notice; and





(d) where APT Allgas is proposing to change the relative weighting of tariff components, an independent audit or verification report of gas quantity inputs used in the tariff variation formula.

If APT Allgas proposes variations to the Reference Tariffs (otherwise than as a result of a Cost pass-through event) and those variations have not been approved by the next 1 July then the Reference Tariffs will be varied with effect from that next 1 July by the same percentage increment or decrement as occurred on the previous 1 July, until such time as variations to Reference Tariffs are approved by the AER. Any subsequent change to tariffs made under this provision must also take account of the time value of money associated with the delay in the recovery or return of revenue to customers through tariffs.

If any past tariff variation made in the access arrangement period contains a material error or deficiency because of a clerical mistake, accidental slip or omission, miscalculation or misdescription, the AER may change subsequent tariffs to account for these past issues.

Within 30 Business Days of receiving the Service Provider's Variation Notice, the AER will inform the Service Provider in writing of whether or not it has verified the proposed Haulage Reference Tariff and/or Haulage Reference Tariff Components in the Service Provider's Variation Notice as compliant with the Annual Tariff Variation Mechanism.

The 30 Business Day periods may be extended for the time taken by the AER to obtain information from the Service Provider, obtain expert advice or consult about the notification. However, the AER must assess an annual reference tariff adjustment application within 90 Business Days, including any extension of the decision making time.

**Comment [Allgas11]:** AER amendment 11.3, discussed in section 11.2 of the submission

#### 4.5.4 Cost Pass-through Reference Tariff Variation Mechanism

Subject to the approval of the AER under the National Gas Rules, Reference Tariffs may be varied after one or more Cost Pass-through Event/s occurs, in which each individual event materially increases or materially decreases the cost of providing the reference services. Any such variation will take effect from the next 1 July, or prior to the next 1 July if the AER considers that in the circumstances an earlier date is appropriate and consistent with the National Gas Law and National Gas Rules.

In making its decision on whether to approve the proposed Cost Pass-through Event variation, the AER must take into account the following:

- the costs to be passed through are for the delivery of pipeline services
- the costs are incremental to costs already allowed for in reference tariffs



- the total costs to be passed through are building block components of total revenue
- the costs to be passed through meet the relevant National Gas Rules criteria for determining the building block for total revenue in determining reference services
- any other factors the AER considers relevant and consistent with the National Gas Law and National Gas Rules.

Approved cost pass-through amounts must take account of the time value of money associated with the delay in the recovery or return of revenue to customers associated with the operation of the Cost Pass-through reference tariff variation mechanism.

**Cost Pass-through Events** are:

- a carbon pricing event
- an insurance cap event
- an insurer credit risk event
- a natural disaster event
- a network user failure event
- a regulatory change event
- a service standard event
- a tax change event
- a terrorism event

**Where:**

**'Carbon pricing event'** means:

An event which results in the imposition of legal obligations on APT Allgas or a third party arising from the introduction or operation of a carbon emissions trading scheme imposed by the Commonwealth, a State or Territory or an Authority and results in APT Allgas incurring costs directly or indirectly (including under statute or contract) and includes:

- (a) the cost of acquiring emissions allowances, permits or units (howsoever called);
- (b) costs incurred in order to reduce liability for carbon emissions associated with the production, transport or supply of gas, or otherwise in connection



with APT Allgas' gas distribution business or the provision of reference services; and

- (c) administrative and compliance costs associated with the introduction or operation of such a scheme, including reporting costs.

**'Insurance cap event'** means:

An event that would be covered by an insurance policy but for the amount that materially exceeds the policy limit, and as a result APT Allgas must bear the amount of that excess loss. For the purposes of this Cost Pass-through Event, the relevant policy limit is the greater of the actual limit from time to time and the limit under APT Allgas' insurance cover at the time of making this access arrangement. This event excludes all costs incurred beyond an insurance cap that are due to APT Allgas' negligence, fault, or lack of care. This also excludes all liability arising from the APT Allgas' unlawful conduct, and excludes all liability and damages arising from actions or conduct expected or intended by APT Allgas.

**'Insurer credit risk event'** means:

An event where the insolvency of an APT Allgas insurer occurs, as a result of which APT Allgas:

- (a) incurs materially higher or lower costs for insurance premiums than those allowed for in the access arrangement; or
- (b) in respect of a claim for a risk that would have been insured by APT Allgas' insurers, is subject to a materially higher or lower claim limit or a materially higher or lower deductible than would have applied under that policy.

**'Natural disaster event'** means:

Any major fire, flood, earthquake, or other natural disaster beyond the control of APT Allgas (but excluding those events for which external insurance or self insurance has been included within APT Allgas' approved revenue requirement) that occurs during an access arrangement period and materially increases the costs to APT Allgas of providing reference services.

**'Network user failure event'** means:

A network user failure event means the occurrence of an event whereby an existing network user is unable to continue to supply gas to its customers, and those customers are transferred to another network user, and which materially increases the costs of APT Allgas providing reference services.

**'Regulatory change event'** means:

A change in a regulatory obligation or requirement, or the imposition of a new regulatory obligation or requirement, that:



- (a) occurs during the course of an access arrangement period; and
- (b) materially increases or materially decreases the costs of providing Reference Services.

**'Service standard event'** means:

A legislative or administrative act or decision that:

- (a) has the effect of:
  - (i) substantially varying, during the course of an access arrangement period, the manner in which APT Allgas is required to provide a reference service; or
  - (ii) imposing, removing or varying, during the course of an access arrangement period, minimum service standards applicable to reference services; or
  - (iii) altering, during the course of an access arrangement period, the nature or scope of the reference services, provided by APT Allgas; and
- (b) materially increases or materially decreases the costs to APT Allgas of providing reference services.

**'Tax change event'** means:

A tax change event occurs if any of the following occurs during the course of an access arrangement period for APT Allgas:

- (a) a change in a relevant tax, in the application or official interpretation of a relevant tax, in the rate of a relevant tax, or in the way a relevant tax is calculated;
- (b) the removal of a relevant tax;
- (c) the imposition of a relevant tax; and

In consequence, the costs to APT Allgas of providing reference services are materially increased or decreased.

**'Terrorism event'** means:

An act (including, but not limited to, the use of force or violence or the threat of force or violence) of any person or group of persons (whether acting alone or on behalf of in connection with any organisation or government), which from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons (including the intention to influence or intimidate any government and/or put the public, or any section of the public, in fear) and which materially increases the costs to APT Allgas of providing a reference service.



**Materiality threshold** is defined as:

For the purpose of any defined event, an event is considered to materially increase or decrease costs where that event has an annualised impact of one per cent of the smoothed forecast revenue specified in the final decision, in the years of the access arrangement period that the costs are incurred.

**Comment [Allgas12]:** AER amendment 11.5, discussed in section 11.3 of the submission

#### 4.5.5 Process for Cost Pass-through event Reference Tariff Adjustment

APT Allgas will notify the AER of Cost Pass-through Events within 90 business days of those costs being incurred, whether the costs would lead to an increase or decrease in Reference Tariffs. The AER may extend the 90 business day time period where it considers the circumstances surrounding a relevant Cost Pass-through Event warrants such an extension.

When making a notification to the AER, APT Allgas will provide the AER with a statement, signed by an authorised officer of APT Allgas, verifying that the costs of any pass-through events are net of any payments made by an insurer or third party which partially or wholly offsets the financial impact of that event (including self insurance).

The AER will endeavour to make its decision on whether APT Allgas should vary Reference Tariffs due to the occurrence of a Cost Pass-through Event within 90 business days of receiving a notification from APT Allgas. However, if the AER determines the difficulty of assessing or quantifying the effect of the relevant Cost Pass-through Event requires further consideration, the AER may require an extension of a specified duration. The AER will notify APT Allgas of the extension, and its duration, within 90 business days of receiving a notification from APT Allgas.

**Comment [Allgas13]:** AER amendment 11.4 discussed in section 11.3 of the submission

#### 4.5.6 Pass-through of costs in subsequent access arrangement period

Where a cost pass-through amount related to a Cost Pass-through Event occurring in this access arrangement period cannot be reflected in full in Reference Tariffs during this access arrangement period, that cost pass through amount (or, where relevant, the portion of that cost pass through amount not yet recovered) can be recovered in the subsequent access arrangement period.

This clause 4.5.6 is a fixed principle for this access arrangement period, and the subsequent access arrangement period.

**Comment [Allgas14]:** APT Allgas revision, discussed in section 11.3 of the submission

### 4.6 *Capital Redundancy Mechanism*

In accordance with Rule 85, the capital base shall be reduced based on the following principles:



- any assets that cease to contribute to the delivery of Services to Users shall be removed from the capital base; and
- costs associated with a decline in the volume of sales of Services provided by means of the Covered Pipeline will be shared between APT Allgas and Users.

Subject to the New Capital Expenditure criteria under Rule 79, if, after the reduction of the Capital Base by the value of assets identified as redundant, the assets later contribute to the delivery of pipeline services, the assets will be treated as New Capital Expenditure (for the purposes of Rules 79, 81 and 84) equal to the value of the assets identified as redundant increased annually on a compounded basis by the weighted average cost of capital from the time the assets identified as redundant were removed from the Capital Base.



## 5 Capacity Trading Requirements

### 5.1 *Transactions subject to Retail Market Procedures*

Transfers of Contracted Capacity will be undertaken:

(a) where the relevant parties are registered as participants under the Retail Market Procedures - in accordance with the Retail Market Procedures; or

(b) if the relevant parties are not so registered - in accordance with rules 105 and 106 and this Part 5.

### 5.2 *Bare Transfers*

A User may make a Bare Transfer to another person (the transferee) without the consent of APT Allgas in accordance with Rule 105. The transferee must notify APT Allgas prior to utilising the portion of the Contracted Capacity subject to the Bare Transfer and the nature of the Contracted Capacity subject to the Bare Transfer.

### 5.3 *Other Transfers*

A User may only transfer or assign all or part of its Contracted Capacity other than by way of a Bare Transfer with the prior consent of APT Allgas, which will only be withheld on reasonable commercial or technical grounds, or given subject to reasonable commercial or technical conditions. An example might be if APT Allgas would not receive at least the same amount of revenue it would have received before the change.

**Comment [Allgas15]:** AER amendment 12.23

APT Allgas will reply to any request from a User for consent to a transfer within 10 Business Days of receiving the request (where that request is accompanied by information reasonably necessary to enable APT Allgas to consider the request). If the User informs APT Allgas that due to hardship the User requires an urgent reply to its request, APT Allgas will use reasonable endeavours to respond within two Business Days of receiving the request.

### 5.4 *Changing Delivery and Receipt Points*

A User may only change the Delivery Point or Receipt Point from that specified in the Access Agreement with the prior consent of APT Allgas, which will only be withheld on reasonable commercial or technical grounds, or given subject to reasonable commercial or technical conditions. An example might be if a reduction in the amount of the service provided to the initial delivery point will not result in a corresponding increase in APT Allgas' ability to provide that service to the alternative delivery point.

**Comment [Allgas16]:** AER amendment 12.23



APT Allgas will reply to any request from a User for consent to a change in Receipt Point or Delivery Point within 10 Business Days of receiving the request (where that request is accompanied by information reasonably necessary to enable APT Allgas to consider the request).

### **5.5 *Procedures and Conditions of Transfer and Assignment***

In the case of a transfer/assignment (other than a Bare Transfer) the following procedure shall apply:

- APT Allgas must be given adequate notification to consider the transfer /assignment application;
- the party requesting the transfer/assignment must bear the cost to APT Allgas of investigating the technical and commercial feasibility of the application. These fees will vary depending on the complexity of the transfer analysis but APT Allgas must charge on a reasonable cost basis for such requests. APT Allgas will provide quotes if requested;
- the party requesting the transfer / assignment must provide APT Allgas with all relevant details of the transfer / assignment; and
- after analysing the request, APT Allgas must advise the relevant parties without undue delay.

Where a transfer / assignment is effected:

- the transferee will be required to enter into a new Access Agreement, the terms and conditions of which will be consistent with Part 2 and in accordance with clause 5.2 of this Access Arrangement; and
- APT Allgas will deal only with the User.





## 6 Extension and Expansion requirements

### 6.1 *Extensions and expansions to the network*

All extensions to and expansions of the capacity of the Network which do not fall within the meaning of clause 6.2 will be treated as part of the Covered Network to which this Access Arrangement applies.

### 6.2 *Extensions of the high pressure network*

APT Allgas will determine whether this access arrangement applies to extensions meeting all of the following conditions:

- the extension is a high pressure pipeline extension; and
- the extension connects one or more Delivery Points to the network; and
- the anticipated quantity of gas delivery via that extension exceeds 10TJ per year; and
- capital expenditure for the extension exceeds \$1,000,000; and
- the cost of the high pressure pipeline extension has not already been included and approved by the AER in the calculation of Reference Tariffs.

### 6.3 *Treatment of covered pipelines*

If an extension or expansion is treated as part of the Covered Network, APT Allgas will offer Reference Services for that extension or expansion at the Reference Tariffs (ie no change to the Reference Tariffs). APT Allgas may require a capital contribution or levy a Surcharge on Users to recover non-conforming capital expenditure in accordance with the Rules. Surcharges and Capital Contributions are discussed at clauses 3.3 and 3.4 of this access arrangement.

**Comment [Allgas17]:** AER amendments 12.24, 12.25 and 12.26, discussed in section 12.4 of the submission



**A Glossary**

Term	Definition
ACCC	means the Australian Competition and Consumer Commission
Access Agreement	has the meaning given under Part 2
Access Arrangement	has the meaning given to it in the <i>National Gas (Queensland) Law</i> under the <i>National Gas (South Australia) Act 2008</i> which applies as a law of Queensland pursuant to the <i>National Gas (Queensland) Act 2008</i> and refers to this Access Arrangement.
Access Arrangement Information	has the meaning given to it in the <i>National Gas (Queensland) Law</i> under the <i>National Gas (South Australia) Act 2008</i> which applies as a law of Queensland pursuant to the <i>National Gas (Queensland) Act 2008</i> and refers to the Access Arrangement Information approved by the AER for the APT Allgas Network.
Access Arrangement Period	has the meaning given to it in the Rules.
Acceptable Credit Rating	an unqualified Standard and Poor's credit rating of at least BBB, or equivalent rating, from a recognised and independent credit reporting agency reasonably acceptable to APT Allgas.
Additional Services	means services offered under clause 2.2
AER	means the Australian Energy Regulator established by section 44AE of the Trade Practices Act 1974 of the Commonwealth.
AEMC	means that Australian Energy Market Commission established by section 5 of the Australian Energy Market Commission Establishment Act 2004 (SA).
AEMO	means the Australian Energy Market Operator appointed by the Queensland Government to act as Market Operator in the Queensland Natural Gas Market under the <i>Gas Supply Act 2003</i> (Qld).
Agreed Demand	is the nominated MHQ as determined by APT Allgas and detailed in clause 2.1.2

**Comment [Allgas1]:** AER amendment 11.5, discussed in section 11.3 of the submission

**Comment [Allgas2]:** 'Adjustment date' definition deleted as a consequence of AER amendments 11.3, 11.4 and 11.5.

**Comment [Allgas3]:** AER amendment 11.5, discussed in section 11.3 of the submission



Allowable Margin of Accuracy	means in respect of Meters operating at outlet pressures up to 7kPa and not exceeding 6 cubic metres per hour capacity, an accuracy of between plus two and minus three percent and in respect of all other Meters, an overall accuracy within plus or minus one per cent.
APT Allgas	means APT Allgas Energy Pty Limited ACN 009 656 446, its subsidiaries, successors in title or assigns.
Annual Scheduled Reference Tariff Adjustment Formula Mechanism	has the meaning given to it under clause 4.5.2
Ancillary Service	means a Reference Ancillary Service or Non-reference Ancillary Service.
Authority	means any government, government department, instrumentality, Minister, agency, statutory authority or other body in which a government has a controlling interest, and includes the AEMC, AEMO, the AER and the ACCC and their successors.
Bare Transfer	refers to a Transfer by way of subcontract of all or part of a User's Contracted Capacity in accordance with clause 5.2.
Business Day	means a day other than a Saturday or Sunday or a gazetted Public Holiday in the State of Queensland.
Business Hours	means the hours between 9am and 4pm on a Business Day.
Capacity	means the measure of the potential of a Covered Pipeline as currently configured to deliver a particular Service between a Receipt Point and a Delivery Point at a point in time.
Capital Base	has the meaning given in the National Gas Rules
Capital Contribution	is a contribution made by a User under Rule 82.
Capital Redundancy Mechanism	means a mechanism established in accordance with Rule 85.

**Comment [Allgas4]:** AER amendment 11.5, discussed in section 11.3 of the submission



<p><b>Carbon Pricing Event</b></p>	<p>means an event which results in the imposition of legal obligations on APT Allgas or a third party arising from the introduction or operation of a carbon emissions trading scheme imposed by the Commonwealth, a State or Territory or an Authority and results in APT Allgas incurring costs directly or indirectly (including under statute or contract) and includes:</p> <ul style="list-style-type: none"> <li>• the cost of acquiring emissions allowances, permits or units (howsoever called);</li> <li>• costs incurred in order to reduce liability for carbon emissions associated with the production, transport or supply of gas, or otherwise in connection with APT Allgas' gas distribution business or the provision of reference services; and</li> <li>• administrative and compliance costs associated with the introduction or operation of such a scheme, including reporting costs.</li> </ul>
<p><b>Charges</b></p>	<p>means the amounts payable for Reference or non-Reference Services calculated in accordance with Appendix B of the Access Arrangement.</p>
<p><b>Commencement Date</b></p>	<p>is the date that revisions to this Access Arrangement will commence as set out in clause 1.4.</p>
<p><b>Confidential Information</b></p>	<p>means all information:</p> <ul style="list-style-type: none"> <li>• disclosed (whether orally, in writing or in any other form) by a party ('Discloser') to the other party ('Recipient') in relation to this Agreement; and</li> <li>• treated by the Discloser as confidential; and</li> <li>• all copies, notes, records and related information generated by the Recipient based on or arising out of any such disclosure.</li> </ul>

**Comment [Allgas5]:** AER amendments 12.9 and 12.10, discussed in section 12.1 of the submission



Consequential Loss	<p>means any of the following, however arising and even if it is reasonably contemplated by the parties, at the date of this Agreement, as a probable result of breach of this Agreement:</p> <ul style="list-style-type: none"> <li>loss or damage which does not arise directly or naturally from a breach of this Agreement;</li> <li>indirect, incidental, special, remote, unforeseeable or consequential loss or damage;</li> <li>direct or indirect loss of revenue, profit, income, bargain, opportunity or anticipated savings;</li> <li>costs or expenses incurred to prevent or reduce loss or damage which otherwise may be incurred or suffered by a third party; or</li> <li>direct or indirect loss or damage incurred or suffered by a third party.</li> </ul>
Contracted Capacity	means that part of the Capacity of the Network which has been reserved by a User or Users pursuant to an Access Agreement entered into with APT Allgas.
Corporations Act	means the <i>Corporations Act 2001</i> .
Cost Pass-through Event	has the meaning given in clause 4.5.4 of the access arrangement.
Cost Pass-through Reference Tariff Variation Mechanism	has the meaning given to it under clause 4.5.4
Covered	has the meaning given to it in the National Gas (Queensland) Law.
Covered Pipeline	has the meaning given to it in the National Gas (Queensland) Law.
CPI	means the Consumer Price Index (All Groups Weighted Average for the eight capital cities) as published by the Australian Bureau of Statistics and, if publication of that Index ceases, any official replacement index published by the Australian Statistician.
Credit Support	means the credit guarantee or similar instrument acceptable to APT Allgas referred to in clause 8.1.2.

**Comment [Allgas6]:** AER amendment 12.14

**Comment [Allgas7]:** AER amendment 11.5



Credit Support Guarantor	means another entity who has an Acceptable Credit Rating and is providing Credit Support to APT Allgas on behalf of a User.
Day	means a period of 24 consecutive hours beginning at 8.00 am Australian Eastern Standard Time.
Delivery Point	means a point on the Network at which Natural Gas is delivered from the Network through a single metering installation to or for the account of any User.
Delivery Point Facilities	means those facilities installed at a Delivery Point to enable delivery of Natural Gas from the Network to a User including Metering, a tapping point, a remote shut-off valve, any communication facilities and associated power supply.
Demand Customer Service	is as defined in clause 2.1.2 .
Demand Customer	means an End User who withdraws from the Network a quantity of Natural Gas of at least 10TJ per year.
Due Date	is 14 Days after the date on the Tax Invoice.
End User	means the person who acquires Natural Gas or proposes to acquire Natural Gas for consumption purposes.
Extension and Expansion Requirements	are the requirements described in Part 6
Force Majeure Event	means anything affecting a person outside of that party's reasonable control including, but not limited to, fire, storm, flood, earthquake, explosion, war, invasion, rebellion, sabotage, epidemic, labour dispute, labour shortage, failure or delay in transportation, act or omission (including laws, regulations, disapprovals or failures to approve) of any third person (including, but not limited to, subcontractors, customers, governments or government agencies).
Forecast Capital	has the meaning given to it in clause 3.2
Gas Balancing	refers to the requirements for APT Allgas to balance the network under the Retail Market Procedures.

**Comment [Allgas8]:** AER amendment 10.3



Gas Law	means the National Gas (Queensland) Act 2008, National Gas (Queensland) Law, Gas Supply Act 2003, Petroleum and Gas (Production and Safety) Act 2004, the proposed National Energy Retail Law and National Energy Retail Rules once in force, any other applicable market, industry or technical code, any licence issued under applicable law, and any other statute, regulation, ordinance, code or other law, whether territory, state or federal, including any lawfully binding determination, decree, edict, declaration, ruling, order or other similar
GJ	means a gigajoule of Natural Gas or 10 <sup>9</sup> J, as that term is defined in Australian Standard AS 1000-1979.
GST	has the meaning given in the <i>A New Tax System (Goods and Services) Tax Act 1999</i> (Cth).
Impost	<p>means any royalty (whether based on value, profit or otherwise), tax (other than GST or a tax in the nature of an income tax or a capital gains tax but including a carbon tax, however described), duty, excise, levy, fee, rate or charge imposed by any law or by any Authority which is imposed on or in respect of:</p> <ul style="list-style-type: none"> <li>• the Network (or any of its components);</li> <li>• the operation of the Network; or</li> <li>• the provision of Services by APT Allgas to the User under the Access Agreement,</li> </ul> <p>which has the effect of changing the APT Allgas' cost of delivering the Services under the Access Agreement.</p>
Inlet Disconnection Service	has the meaning given in clause 2.1.3
Inlet Reconnection Service	has the meaning given in clause 2.1.3

**Comment [Allgas9]:** AER amendments 12.9 and 12.10, discussed in section 12.1 of the submission



<p>Insolvency Event</p>	<p>means in relation to any party:</p> <ul style="list-style-type: none"> <li>• a receiver, receiver and manager, administrator, trustee or similar official is appointed over any of the assets or undertaking of the party (Receiver Appointed);</li> <li>• the party suspends payment of its debt generally (Payments Suspended);</li> <li>• the party is or becomes unable to pay its debts when they are due or is unable to pay its debts within the meaning of the Corporations Act or the party may be presumed to be insolvent under section 459C of the Corporations Act (Unable to Pay);</li> <li>• the party enters into or resolves to enter into any arrangement, composition or compromise with, or assignment for the benefit of, its creditors or any class of them (Arrangements with Creditors);</li> <li>• an application or order is made for the winding up or dissolution of, or the appointment of a provisional liquidator to the party or a resolution is passed or steps are taken to pass a resolution for the winding up or dissolution of the party otherwise than for the purpose of an amalgamation or reconstruction (Winding Up); or</li> <li>• an administrator is appointed in relation to the person under Division 2 of Part 5.3A of the Corporations Act (Administration).</li> </ul>
<p>Instrument of Agreement</p>	<p>means the specific contractual arrangement agreed between APT Allgas and a User in relation to the APT Allgas Access Arrangement.</p>
<p>Interval Metering</p>	<p>means Metering that enables the recording of volumes on an hourly or daily basis. Includes flow computers and data loggers.</p>
<p>kPa</p>	<p>means kilopascal and is a unit of measurement for pressure, also used to measure atmospheric pressure</p>
<p>Market Operator</p>	<p>means the market operator appointed under the <i>Gas Market Procedures (Queensland)</i> made under the National Gas Rules, and includes any person carrying out the functions and duties of that office.</p>





Material/Materiality threshold	In respect of the Reference Tariff Variation Mechanism set out in clause 4.5 of this access arrangement, for the purpose of any defined event, an event is considered to materially increase or decrease costs where that event has an annualised impact of one per cent of the smoothed forecast revenue specified in the final decision, in the years of the access arrangement period that the costs are incurred.
MDQ	means the maximum daily quantity of Natural Gas (in GJ) which APT Allgas is obliged to receive on behalf of the User and to transport and deliver to Delivery Points on behalf of the User during a Day (net of UAG).
Meter	means the device used to measure the volume or demand of Natural Gas.
Metering	means the Meter and any associated equipment, including filters, regulators, pipework and other equipment used to measure the volume or demand of Natural Gas.
MHQ	means the maximum hourly quantity of Natural Gas (in GJ) which APT Allgas is obliged to receive on behalf of the User and to transport and deliver to Delivery Points on behalf of the User during an hour (net of UAG).
Month	means calendar month.
National Gas (Queensland) Law or NGL	means the National Gas Law under <i>the National Gas (South Australia) Act 2008</i> which applies as a law of Queensland pursuant to the <i>National Gas (Queensland) Act 2008</i> .
National Gas Rules or NGR	means the National Gas Rules made under the <i>National Gas (Queensland) Law</i> , in force from time to time.
Natural Gas	has the meaning given to it in the National Gas (Queensland) Law.
Negotiated Service	means a Service of the type described in clause 2.2.
Net Financial Effect	means the net financial effect of a change in law on APT Allgas' relevant costs, taking into account any offsetting benefits and adverse effects directly or indirectly connected to the change in law and costs which are otherwise reimbursable by the User to APT Allgas under the Access Agreement.

**Comment [Allgas10]:** AER amendments 12.9 and 12.10, discussed in section 12.1 of the submission



Network	means the distribution pipeline network owned by APT Allgas through which Natural Gas will be transported and includes the Receipt Point Facilities and Delivery Point Facilities which exist from time to time.
New Capital Expenditure	has the meaning given to it under Rule 79.
New Capital Expenditure Criteria	has the meaning given to it under Rule 79.
New Impost	means any Impost imposed during the term of the Access Agreement that was: <ul style="list-style-type: none"> <li>not in force at the date of the Access Agreement; or</li> <li>in force at the date of the Access Agreement, but the rate, basis of calculation or the basis of application of that Impost has been changed.</li> </ul>
Non-Reference Ancillary Service	means a Service of the type described in clause 2.2.
Party	means either APT Allgas or the User and Parties means them collectively.
PJ	means a petajoule of Natural Gas or one million (1,000,000) GJ.
Prospective User	has the meaning given to it in the National Gas (Queensland) Law.
Rate	means the Commonwealth Bank Corporate Overdraft Reference Rate (monthly charging) current on the first Day of each Month.
Receipt Point	means a point on the Network at which Natural Gas is received into the Network from or on account of the User.
Receipt Point Facilities	means those facilities installed at a Receipt Point to enable receipt of Natural Gas from a User into the Network including a tapping point, a remote shut-off valve, any communication facilities and associated power supply.
Reference Ancillary Service	means a Service of the type described in clause 2.1.3.
Reference Service	means any or all of the Reference Services referred to in clause 2.1.

**Comment [Allgas11]:** AER amendments 12.9 and 12.10, discussed in section 12.1 of the submission

**Comment [Allgas12]:** AER amendments 12.9 and 12.10, discussed in section 12.1 of the submission



Reference Tariff	has the meaning given to it in the National Gas (Queensland) Law.
Reference Tariff Variation Mechanism	is as defined in clause 4.5
Related Body Corporate	means a related body corporate as defined in the Corporations Act.
Required Amount	means the amount of the Credit Support to be provided by the User or by the Credit Rating Guarantor as reasonably estimated by APT Allgas to meet APT Allgas' credit security requirement for a User as referred to in clause 8.1.2.
Retail Market Procedures	means the Procedures published by AEMO which form part of the regulatory framework applicable to AEMO, Retailers and Distributors under the <i>Gas Supply Act 2003</i> (Qld), the Law and the Rules (or, if these procedures are no longer applicable, any other rules or procedures which govern a gas market that is applicable to APT Allgas) in force from time to time.
Revisions Commencement Date	has the meaning given in clause 1.4.
Revisions Submission Date	has the meaning given in clause 1.4
Rule or Rules	means the <i>National Gas Rules</i> made under the <i>National Gas (Queensland) Law</i>
Service	means a Service provided by the Service Provider in relation to the Network including but not limited to Reference Services.
Service Provider	has the meaning given to it in the National Gas (Queensland) Law.
Significant Extension	has the meaning given in section 6.1

**Comment [Allgas13]:** AER amendments 12.9 and 12.10, discussed in section 12.1 of the submission



Single Premises	means any of the following if owned or occupied by the End User and used by the End User for the same business or enterprise: <ul style="list-style-type: none"> <li>• the whole of any single building or structure;</li> <li>• a part of any single building or structure;</li> <li>• two or more adjoining parts of any single building or structure;</li> <li>• the whole of two or more buildings or structures that are on the same lot of land or two or more adjoining lots of land.</li> </ul>
Special Meter Reading Service	is as defined in clause 2.1.3
Speculative Capital Expenditure Account	has the meaning given in rule 84
Surcharge	has the meaning given to it in Rule 83.
Tax	means any tax, levy, impost, deduction, charge, rate, rebate, duty, fee or withholding which is levied or imposed by an Authority.
Term	is the term of the access arrangement as defined in clause 1.4
Terms and Conditions	for Services are set out in Appendix C
Transmission Pipeline Operator	is the operator of the transmission pipeline supplying Natural Gas into the Network
Total Revenue	has the meaning given to it in Rule 76.
TJ	means a terajoule of Natural Gas and is equal to 1,000 GJ.
Unaccounted for Gas or UAG	means the quantities of Natural Gas necessary for the efficient operation of the Network, including Natural Gas used for compressors or other equipment, and quantities otherwise lost and unaccounted for in connection with the operation of the Network, including as a result of any limitations on the accuracy of Metering Equipment.
User	has the meaning given to it in the <i>National Gas (Queensland) Law</i> .
Volume Customer Service	is as defined in clause 2.1.2.

**Comment [Allgas14]:** 'Tariff Variation Notification' definition deleted as a consequence of AER amendments 11.3, 11.4 and 11.5.

**Comment [Allgas15]:** AER amendment 11.5, discussed in section 11.3 of the submission



Volume Customer	means an End User who withdraws from the Network a quantity of Natural Gas less than 10TJ per year.
Year	means a period of 365 consecutive Days but, for any Year which contains a date of 29 February, means 366 consecutive Days.

**Comment [Allgas16]:** AER amendment 10.3



**APT Allgas Energy  
Pty Limited**

FY12 Reference Tariffs

Effective  
01 July 2011 – 30 June 2012



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## 1 Volume Tariff – 2011/12

Network Charges (Exclusive of GST)		
Base Charge	(\$/day)	\$0.5893
Up to 1.7 GJ of gas delivered per day	(\$/GJ/day)	\$9.6938
Next 8.3 GJ of gas delivered per day	(\$/GJ/day)	\$7.1080
All gas delivered over 10 GJ per day	(\$/GJ/day)	\$4.7342

Notes:

1. The total network charge for each site for each billing period will be calculated using the daily charges. Each days charge will comprise
  - a) a base charge; plus
  - b) a charge for the quantity of gas delivered (or estimated to have been delivered during that day to or for the account of the network user to each end user)
2. The charge for the quantity of gas delivered (or estimated to have been delivered) to or for the account of the network user will be calculated at the rates shown in the above table. The daily quantities will be determined based on the appropriate Meter Reading and converted to an average daily figure based on the number of days in the metering period for each end user site.
3. Total charges for each billing period will be rounded to the nearest cent.
4. The calculation of each Network User's metering capacity will be determined by APA based on data held by APA including the customer's meter type, pressure factor and consumption data.
5. Base and volume charges shown in the above table apply in 2011/12 only. Charges for subsequent years will be escalated in accordance with the methodology shown in section 4.5 of the APT Allgas Access Arrangement.
6. Charges are exclusive of Goods and Services Tax (GST).





## 2 Demand Tariff – Brisbane Region – 2011/12

Network Charges (Exclusive of GST)		Zone 1 (DZ01)	Zone 2 (DZ02)	Zone 3 (DZ03)
Base Charge (MHQ)	(\$/GJ of MHQ/day)	\$2.3027	\$3.2762	\$2.7355
MDQ of 50GJ or less	(\$/day)	\$84.5850	\$122.4350	\$138.2150
Greater than 50GJ but not greater than 125 GJ of MDQ	(\$/day)	\$84.5850 + \$0.9381/GJ of MDQ for MDQ over 50	\$122.4350 + \$1.7439/GJ of MDQ for MDQ over 50	\$138.2150 + \$2.8023/GJ of MDQ for MDQ over 50
Greater than 125GJ but not greater than 275 GJ of MDQ	(\$/day)	\$154.9425 + \$0.6615/GJ of MDQ for MDQ over 125	\$253.2275 + \$1.4432/GJ of MDQ for MDQ over 125	\$348.3875 + \$2.0807/GJ of MDQ for MDQ over 125
Greater than 275GJ but not greater than 525 GJ of MDQ	(\$/day)	\$254.1675 + \$0.2886/GJ of MDQ for MDQ over 275	\$469.7075 + \$0.6735/GJ of MDQ for MDQ over 275	\$660.4925 + \$1.1426/GJ of MDQ for MDQ over 275
Greater than 525GJ of MDQ	(\$/day)	\$326.3175 + \$0.2526/GJ of MDQ for MDQ over 525	\$638.0825 + \$0.2646/GJ of MDQ for MDQ over 525	\$946.1425 + \$0.3127/GJ of MDQ for MDQ over 525

Notes:

1. The total network charge for each site for each billing period will be calculated using the daily charges. Each days charge will comprise
  - a) a base charge calculated on the site Agreed Demand (MHQ); plus
  - b) an MDQ charge
2. The daily base charge refers to the customers Agreed Demand (nominated MHQ) as determined by APT Allgas
3. The MDQ charges refer to the customers MDQ for the previous 12 months.
4. For customers without interval metering, the MDQ will be calculated by APA based on the customer's consumption data, days of operation and a seasonality factor of 1.3
5. The customers' MDQ and MHQ readings remain constant during the year except in the case of overruns (see section 3 of Terms and Conditions for details)
6. Charges shown in the above table apply in 2011/12 only. Charges for subsequent years will be escalated in accordance with the methodology shown in section 4.5 of the APT Allgas Access Arrangement.
7. Charges are exclusive of Goods and Services Tax (GST).



### 3 Demand Tariff – South Coast Region – 2011/12

Network Charges (Exclusive of GST)		Zone 4 (DZ04)	Zone 5 (DZ05)	Zone 6 (DZ06)
Base Charge (MHQ)	(\$/GJ of MHQ/day)	\$2.0400	\$4.1315	\$4.1370
MDQ of 50GJ or less	(\$/day)	\$169.9900	\$169.9050	\$178.1450
Greater than 50GJ but not greater than 125 GJ of MDQ	(\$/day)	\$169.9900 + \$3.0789/GJ of MDQ for MDQ over 50	\$169.9050 + \$3.2473/GJ of MDQ for MDQ over 50	\$178.1450 + \$3.4277/GJ of MDQ for MDQ over 50
Greater than 125GJ but not greater than 275 GJ of MDQ	(\$/day)	\$400.9075 + \$2.6459/GJ of MDQ for MDQ over 125	\$413.4525 + \$2.8023/GJ of MDQ for MDQ over 125	\$435.2225 + \$2.9346/GJ of MDQ for MDQ over 125
Greater than 275GJ but not greater than 525 GJ of MDQ	(\$/day)	\$797.7925 + \$2.2250/GJ of MDQ for MDQ over 275	\$833.7975 + \$2.4054/GJ of MDQ for MDQ over 275	\$875.4125 + \$2.5136/GJ of MDQ for MDQ over 275
Greater than 525GJ of MDQ	(\$/day)	\$1354.0425 + \$1.9363/GJ of MDQ for MDQ over 525	\$1435.1475 + \$2.0927/GJ of MDQ for MDQ over 525	\$1503.8125 + \$2.1889/GJ of MDQ for MDQ over 525

Notes:

1. The total network charge for each site for each billing period will be calculated using the daily charges. Each days charge will comprise
  - c) a base charge calculated on the site Agreed Demand (MHQ); plus
  - d) an MDQ charge
2. The daily base charge refers to the customers Agreed Demand (nominated MHQ) as determined by APT Allgas
3. The MDQ charges refer to the customers MDQ for the previous 12 months.
4. For customers without interval metering, the MDQ will be calculated by APA based on the customer's consumption data, days of operation and a seasonality factor of 1.3
5. The customers' MDQ and MHQ readings remain constant during the year except in the case of overruns (see section 3 of Terms and Conditions for details)
6. Charges shown in the above table apply in 2011/12 only. Charges for subsequent years will be escalated in accordance with the methodology shown in section 4.5 of the APT Allgas Access Arrangement.
7. Charges are exclusive of Goods and Services Tax (GST).



## 4 Demand Tariff – Toowoomba Region – 2011/12

Network Charges (Exclusive of GST)		Zone 7 (DZ07)	Zone 8 (DZ08)
Base Charge (MHQ)	(\$/GJ of MHQ/day)	\$2.3114	\$4.2527
MDQ of 50GJ or less	(\$/day)	\$65.4400	\$84.7900
Greater than 50GJ but not greater than 125 GJ of MDQ	(\$/day)	\$65.4400 + \$0.4330/GJ of MDQ for MDQ over 50	\$84.7900 + \$0.9141/GJ of MDQ for MDQ over 50
Greater than 125GJ but not greater than 275 GJ of MDQ	(\$/day)	\$97.9150 + \$0.3488/GJ of MDQ for MDQ over 125	\$153.3475 + \$0.7096/GJ of MDQ for MDQ over 125
Greater than 275GJ but not greater than 525 GJ of MDQ	(\$/day)	\$150.2350 + \$0.2886/GJ of MDQ for MDQ over 275	\$259.7875 + \$0.4811/GJ of MDQ for MDQ over 275
Greater than 525GJ of MDQ	(\$/day)	\$222.3850 + \$0.2646/GJ of MDQ for MDQ over 525	\$380.0625 + \$0.2766/GJ of MDQ for MDQ over 525

**Notes:**

1. The total network charge for each site for each billing period will be calculated using the daily charges. Each days charge will comprise
  - e) a base charge calculated on the site Agreed Demand (MHQ); plus
  - f) an MDQ charge
2. The daily base charge refers to the customers Agreed Demand (nominated MHQ) as determined by APT Allgas
3. The MDQ charges refer to the customers MDQ for the previous 12 months.
4. For customers without interval metering, the MDQ will be calculated by APA based on the customer's consumption data, days of operation and a seasonality factor of 1.3
5. The customers' MDQ and MHQ readings remain constant during the year except in the case of overruns (see section 3 of Terms and Conditions for details)
6. Charges shown in the above table apply in 2011/12 only. Charges for subsequent years will be escalated in accordance with the methodology shown in section 4.5 of the APT Allgas Access Arrangement.
7. Charges are exclusive of Goods and Services Tax (GST).



## 5 Demand Tariff – Oakey Region – 2011/12

Network Charges (Exclusive of GST)		Zone 9 (DZ09)	Zone 10 (DZ10)
Base Charge (MHQ)	(\$/GJ of MHQ/day)	\$2.1065	\$2.2490
MDQ of 50GJ or less	(\$/day)	\$68.9250	\$150.5900
Greater than 50GJ but not greater than 125 GJ of MDQ	(\$/day)	\$68.9250 + \$0.5532/GJ of MDQ for MDQ over 50	\$150.5900 + \$2.8263/GJ of MDQ for MDQ over 50
Greater than 125GJ but not greater than 275 GJ of MDQ	(\$/day)	\$110.4150 + \$0.4570/GJ of MDQ for MDQ over 125	\$362.5625 + \$2.2731/GJ of MDQ for MDQ over 125
Greater than 275GJ but not greater than 525 GJ of MDQ	(\$/day)	\$178.9650 + \$0.3247/GJ of MDQ for MDQ over 275	\$703.5275 + \$1.3951/GJ of MDQ for MDQ over 275
Greater than 525GJ of MDQ	(\$/day)	\$260.1400 + \$0.2646/GJ of MDQ for MDQ over 525	\$1052.3025 + \$0.6014/GJ of MDQ for MDQ over 525

**Notes:**

1. The total network charge for each site for each billing period will be calculated using the daily charges. Each days charge will comprise
  - g) a base charge calculated on the site Agreed Demand (MHQ); plus
  - h) an MDQ charge
2. The daily base charge refers to the customers Agreed Demand (nominated MHQ) as determined by APT Allgas
3. The MDQ charges refer to the customers MDQ for the previous 12 months.
4. For customers without interval metering, the MDQ will be calculated by APA based on the customer's consumption data, days of operation and a seasonality factor of 1.3
5. The customers' MDQ and MHQ readings remain constant during the year except in the case of overruns (see section 3 of Terms and Conditions for details)
6. Charges shown in the above table apply in 2011/12 only. Charges for subsequent years will be escalated in accordance with the methodology shown in section 4.5 of the APT Allgas Access Arrangement.
7. Charges are exclusive of Goods and Services Tax (GST).



## 6 Reference Ancillary Services – 2011/12

Reference Ancillary Service		Charges (Exclusive of GST)
Special Meter Read	(\$/each)	\$18.96
Inlet Disconnection	(\$/each)	\$52.05
Inlet Reconnection	(\$/each)	\$105.88

Notes:

1. Reference Ancillary Services as published in the APT Allgas Access Arrangement.
2. Charges shown in the above table apply in 2011/12 only. Charges for subsequent years will be escalated in accordance with the methodology shown in section 4.5 of the APT Allgas Access Arrangement.
3. Charges are exclusive of Goods and Services Tax (GST).



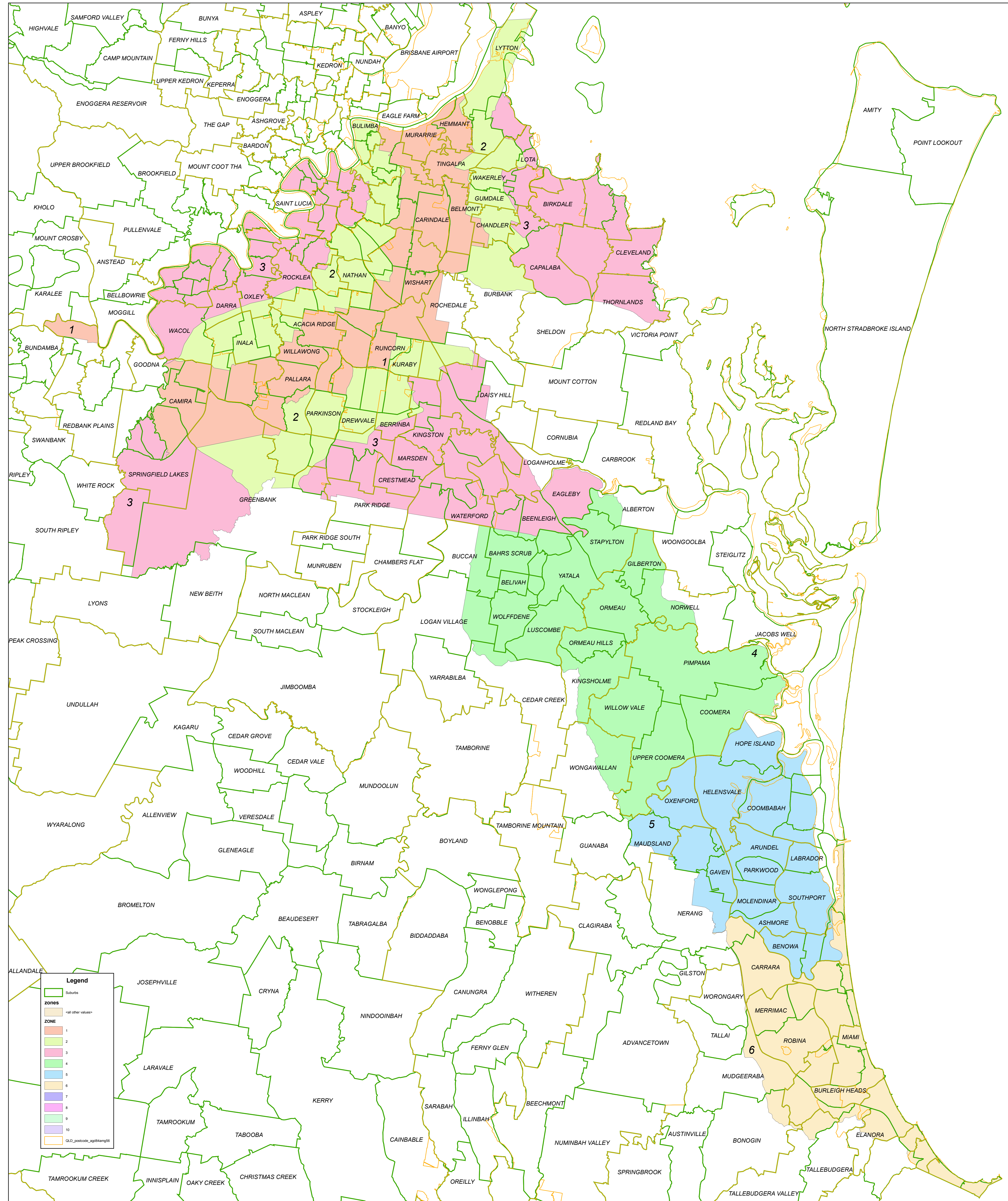
## 7 Demand Zone Maps (Indicative Only)

Brisbane and Southern Zones

Western Zones

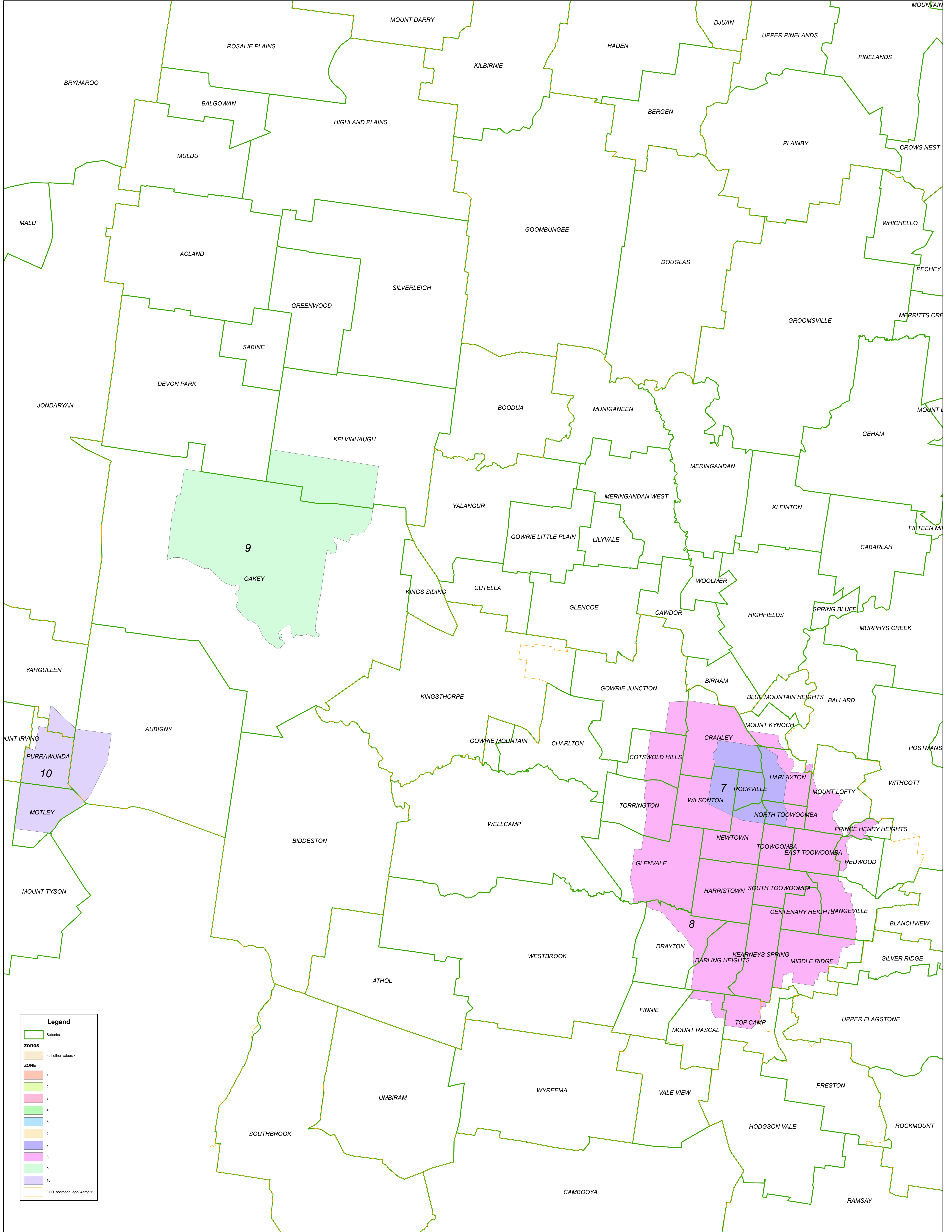
*Note: Specific site addresses should be referred to APT Allgas for zone determination.*

# Brisbane Gold Coast Tariff Zones



0 3 6 9 12  
Kilometers  
1:130,000

# Toowoomba Oakey Tariff Zones



**Legend**

- Suburbs
- zones
- all other values
- ZONE
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- QLD\_postcode\_434040

0 0.7 1.4 2.1 2.8  
Kilometers

1:79,043





**APT Allgas Energy  
Pty Limited**

Terms & Conditions

Effective  
01 July 2011 – 30 June 2016



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## Background

APT Allgas has prepared these Terms and Conditions to satisfy its obligations under Rule 48(1)(d)(ii) of the Rules. The Access Agreement between APT Allgas and the User comprises the Terms and Conditions set out below.



## 1 Acknowledgements

*APT Allgas and the User acknowledge:*

- (a) that this Access Agreement is intended to be consistent with the Access Arrangement as amended from time to time; and
- (b) terms defined in the Access Arrangement have the same meaning in this Access Agreement unless the context requires otherwise; and
- (c) to the extent that there is any inconsistency between this Access Agreement and the Access Arrangement as amended from time to time, the provisions of the Access Arrangement prevail.



## 2 Reference Services

### 2.1 *Provision of Reference Services*

During the Term, APT Allgas will make available Volume Customer Services, Demand Customer Services and Reference Ancillary Services to the User.

### 2.2 *Determination of Customer*

APT Allgas will determine from time to time whether an End User is a Volume Customer or a Demand Customer in accordance with clauses 2.1.1 and 2.1.2 of the Access Arrangement. This determination is binding on the User.

**Comment [Allgas1]:** AER amendment 12.1

### 2.3 *Operation and Management*

APT Allgas will ensure that the Network is operated and managed in accordance with the Access Arrangement, the Rules and with applicable laws and any relevant standards which apply from time to time.





## 3 Capacity management

### 3.1 *Quantity Delivered*

The MHQ of Natural Gas which APT Allgas must transport to each Delivery Point is limited to the Agreed Demand.

The MDQ of Natural Gas which APT Allgas transports to each Delivery Point is not limited.

### 3.2 *MDQ Overruns*

Where a Demand Customer Delivery Point has Interval Metering and a Demand Customer's actual MDQ exceeds their nominated MDQ at that Demand Customer Delivery Point:

- (a) for the first time in a 12 month period, APT Allgas will not adjust the nominated MDQ; or
- (b) for the second time in a 12 month period, the nominated MDQ will be adjusted to reflect the highest recorded MDQ in that period, and the adjusted MDQ will be binding on the Demand Customer.

### 3.3 *Reduction in MDQ*

This clause applies only to Demand Customers.

#### 3.3.1 Request for Reduction in MDQ

Subject to clauses 3.3.6 and 3.3.7, if:

- (a) the Demand Customer to whom Natural Gas is supplied at a Demand Customer Delivery Point experiences a permanent, material change in its requirements for Natural Gas at that Demand Customer Delivery Point such that its daily Natural Gas requirements are significantly less than the current MDQ for that Demand Customer Delivery Point; or
- (b) for a period of not less than 12 months the Customer has not, on any Network Day, taken delivery of a quantity of Natural Gas at the Demand Customer Delivery Point equal to or in excess of 90% of the MDQ; and
- (c) a reduction to the MDQ for that Demand Customer Delivery Point will not unreasonably jeopardise APT Allgas' ability to recover capital expended



by APT Allgas in installing infrastructure to serve that Demand Customer Delivery Point; and

- (d) there is no contractual arrangement in place in respect of the Demand Customer Delivery Point requiring the User to make payments, based on the current MDQ, for a minimum term to enable APT Allgas to recover, from the User, capital expended by APT Allgas in installing infrastructure to serve that Demand Customer Delivery Point, then the User may, request the MDQ for that Delivery Point be reduced in accordance with the procedures in this clause 3.3:

### 3.3.2 Form of request

A request to APT Allgas seeking a reduction in the MDQ under clause 3.3.1 must:

- (a) be in writing;
- (b) nominate a particular Day from which the MDQ for that Delivery Point be varied to reflect the Customer's changed Natural Gas requirements (Specified Date). The Specified Date must be the first calendar day of a subsequent Month but no less than 4 weeks after the date of receipt of request;
- (c) state that it is made pursuant to this clause 3.3;
- (d) set out the new MDQ proposed by the User (Requested MDQ);
- (b) be supported by evidence reasonably satisfactory to APT Allgas to justify the Requested MDQ nominated by the User, including evidence:
  - (i) of the nature and reason for the change in the Demand Customer's Natural Gas requirements; and
  - (ii) that the Demand Customer's Natural Gas requirements for each Day will not exceed the Requested MDQ.

The evidence supplied to APT Allgas must be accompanied by a statement, from an authorised officer of the Demand Customer, attesting to the accuracy of the evidence.

### 3.3.3 Consideration of Request

- (a) APT Allgas will consider a request lodged in accordance with clauses 3.3.1 and 3.3.2 and will advise the User within 4 weeks of the date of request whether the request has been approved.



- (b) APT Allgas will not unreasonably withhold its acceptance of a request lodged in accordance with clauses 3.3.1 and 3.3.2.

### 3.3.4 Matters to be Considered

APT Allgas will have regard to the following factors when considering a request under clause 3.3.3:

- (a) the permanency of any change in the relevant Demand Customer's requirements for Natural Gas;
- (b) the long-term trend of the Demand Customer's demand for Natural Gas at the relevant Demand Customer Delivery Point, as derived from:
  - (i) historical data about the quantities of Natural Gas delivered through that Demand Customer Delivery Point; and
  - (ii) any reasoned forecasts of the Demand Customer's expected future demand for Natural Gas at that Demand Customer Delivery Point;
- (c) the extent to which, the proposed reduction will compromise APT Allgas' ability to recover the capital expenditure APT Allgas incurred in relation to the relevant Demand Customer Delivery Point, including whether APT Allgas has any contractual right to recover such expenditure from the User or someone else; and
- (d) any other factors that APT Allgas considers relevant, acting reasonably.

### 3.3.5 Acceptance of Request

Where APT Allgas agrees to a request made in accordance with clauses 3.3.1 and 3.3.2, then the MDQ for the relevant Demand Customer Delivery Point will be reduced to the Requested MDQ on and from the Specified Date.

### 3.3.6 Request for Explanation

APT Allgas must provide the User with an explanation of its decision to reject a request under this clause 3.3 upon request **as soon as practicable.**

**Comment [Allgas2]:** AER amendment 12.5

### 3.3.7 Subsequent Adjustment of MDQ

- (a) **Subject to clause 3.3.8, nothing in this clause 3.3 prevents or limits any subsequent adjustment to the MDQ for a Demand Customer Delivery Point in accordance with any other clause of the Access Agreement.**

**Comment [Allgas3]:** AER amendment 12.2



(b) Nothing in this clause 3.3 prevents a new MDQ for a Demand Customer Delivery Point to be agreed on when the Demand Customer at the Demand Customer Delivery Point changes.

**Comment [Allgas4]:** AER amendment 12.3

### 3.3.8 Subsequent Requests

Where the MDQ for a Demand Customer Delivery Point has been reduced under this clause 3.3, then the User will not be entitled to make a further request for the same Demand Customer to APT Allgas to reduce the MDQ at that Demand Customer Delivery Point until at least 1 Year has elapsed since the date that the MDQ was last reduced in accordance with this clause 3.3.

**Comment [Allgas5]:** AER amendment 12.4

### 3.3.9 Non-Acceptance of Previous Request

Where a request lodged under clause 3.3.1 is not accepted by APT Allgas, then the User will not be entitled to make a further request for the same Demand Customer to APT Allgas to reduce the MDQ at that Demand Customer Delivery Point until at least 6 months has elapsed since the date of lodgement of the most recent request under clause 3.3.1

**Comment [Allgas6]:** AER amendment 12.4

## 3.4 *Authorisation*

Notwithstanding clauses 3.1 and 3.2, the User authorises APT Allgas during the Term to deliver through each Delivery Point the quantity of Natural Gas supplied by APT Allgas through that Delivery Point (whether the delivered quantity of Natural Gas is or is not specifically authorised by the User or the End User).

## 3.5 *Network Limitations*

At no time will APT Allgas have any obligation to deliver more Natural Gas through any Delivery Point than is possible given the technical, physical or other limitations of the Network and the pressure and flow-rate of the Natural Gas within the Network. APT Allgas will not connect a new Delivery Point to the Network unless the system has sufficient capacity to sustain that End User. APT Allgas will maintain the network in accordance with legislative and statutory requirements where relevant and, to the extent not covered by legislation, in accordance with good engineering and industry practice.

## 3.6 *Gas Balancing*

At all times during the Term, the User must ensure that the aggregate quantity of Natural Gas delivered through each Receipt Point by or for the account of the User is equal to the aggregate quantity of Natural Gas delivered to or for the account of the User through each Delivery Point, after accounting for Unaccounted for Gas.



**3.7** *Quantity Received*

APT Allgas may determine the quantity of Natural Gas delivered through each Receipt Point by or for the account of the User on a reasonable basis, and this determination binds the User.



## 4 Metering

### 4.1 *General Obligations*

#### 4.1.1 Provision of Metering Equipment

APT Allgas will ensure each Delivery Point has Metering in accordance with applicable laws and any relevant standards that apply from time to time, to measure the volume of Natural Gas delivered through that Delivery Point.

#### 4.1.2 Maintenance

APT Allgas will ensure that all Metering is maintained in a reasonable condition throughout the Term, in accordance with applicable laws and any relevant standards that apply from time to time.

#### 4.1.3 Meter Accuracy

The accuracy of Metering at any Receipt Point or Delivery Point is in accordance with applicable laws and any relevant standards that apply from time to time.

#### 4.1.4 Correction of Readings

If APT Allgas is required to correct previous readings under clause 4.1.3:

- (a) the correction must reflect:
  - (i) the actual volume of Natural Gas delivered; or
  - (ii) a reasonable estimate of the volume of Natural Gas delivered,

since the date of the last reading taken from the Metering or, if later, the last date on which the Metering was tested and the measurements found to be within the Allowable Margin of Accuracy;

- (b) the correction will be binding on the User; and
- (c) APT Allgas must recalculate the Charges for the relevant Delivery Point, and debit the User any underpayment or credit the User any overpayment, in the next tax invoice issued in accordance with Part 8.



## 4.2 *Meter Reading*

### 4.2.1 Scheduled

Subject to this Access Agreement, APT Allgas will use best endeavours to ensure that the Metering:

- (a) at each Delivery Point of a Volume Customer is read at least every 3 months; and
- (b) at each Delivery Point of a Demand Customer is read at least monthly.

### 4.2.2 Special

The User may request APT Allgas to make special readings of the Metering at any Delivery Point at the User's cost. The cost of the special reading:

- (a) is stipulated in Appendix B to the Access Arrangement -Tariff Schedule;
- (b) must be paid by the User if the reading is not taken because APT Allgas is unable to obtain safe, reasonable and unhindered access pursuant to Part 11; and
- (c) will be refunded by APT Allgas if the scheduled reading taken is found to be in error.

### 4.2.3 No Measurements

If the volume of Natural Gas delivered at any Delivery Point during any period is not measured by the Metering at that Delivery Point for any reason whatsoever, APT Allgas may estimate the volume of Natural Gas delivered at that Delivery Point during that period on a reasonable basis and this will bind the User.



## 5 Network pressures

### 5.1 *Receipt Point Pressures*

#### 5.1.1 User's Obligation

The User will arrange for the delivery of Natural Gas at each Receipt Point within a pressure range as reasonably nominated from time to time by APT Allgas.

#### 5.1.2 Failure to Comply

If the User is in breach of clause 5.1.1, APT Allgas may:

- (a) curtail or interrupt deliveries through any Receipt Point or any Delivery Point;
- (b) flare or otherwise dispose of Natural Gas in the Network; or
- (c) take whatever steps APT Allgas considers necessary or desirable,
- (d) to increase or reduce the pressure of Natural Gas within the Network or to avoid any threat to persons or property.

### 5.2 *Delivery Point Pressures*

#### 5.2.1 APT Allgas' Obligation

Subject to the technical, physical or other limitations of the Network, APT Allgas will deliver Natural Gas at each Delivery Point at a minimum pressure of 1.125kPa, but always within the pressure range specified by APT Allgas or in accordance with any pressure range prescribed by law, if applicable, from time to time.

**Comment [Allgas7]:** AER amendment 12.6

#### 5.2.2 Failure to Comply

APT Allgas will not breach its obligations under clause 5.2.1 where its failure to comply with that clause is due to:

- (a) the technical, physical or other limitations of the Network, not otherwise due to the negligent act or omission of APT Allgas;
- (b) insufficient Natural Gas being delivered into the Network; or
- (c) delivery of Natural Gas into the Network at pressures outside the limits specified from time to time by APT Allgas,





whether or not APT Allgas knew, or ought to have known, of those facts or matters at any time

**Comment [Allgas8]:** AER amendment 12.7, discussed in section 12.1 of the submission

### 5.2.3 No Implied Obligation

To avoid any doubt, APT Allgas is not under an obligation to modify, or cause to be modified, the technical, physical or other limitations of the Network other than to ensure that the safety and integrity of the Network is maintained.



## 6 Gas specifications

### 6.1 *Odourisation*

APT Allgas will ensure that all Natural Gas in the Network is odourised in accordance with applicable laws and any relevant standards which apply from time to time.

### 6.2 *Quality of Gas – User*

The User must:

- (a) ensure all arrangements in relation to the delivery of Natural Gas to the Delivery Points, including the Delivery Point Facilities, are in accordance with any applicable laws and relevant standards which apply from time to time; and
- (b) deliver, or cause to be delivered, at each Receipt Point, Natural Gas which meets the gas specifications stipulated in applicable laws and relevant standards from time to time.

### 6.3 *Quality of Gas – APT Allgas*

APT Allgas must ensure that the quality of the Natural Gas, delivered at each Receipt Point, is maintained at the gas specifications stipulated in applicable laws and relevant standards from time to time.

### 6.4 *Failure to Comply*

If the User is in breach of clause 6.2, APT Allgas is not required to provide the Reference Services and may:

- (a) curtail or interrupt deliveries through any Receipt Point or any Delivery Point;
- (b) flare or otherwise dispose of Natural Gas in the Network; or
- (c) take whatever steps APT Allgas considers necessary or desirable,

to ensure the Natural Gas within the Network meets the gas specifications stipulated in applicable laws and relevant standards from time to time or to avoid any threat to persons or property.



## 7 Ownership of gas

### 7.1 *Warranty of Title*

The User warrants that:

- (a) the User has good title to all Natural Gas delivered into the Network at each Receipt Point, which is free and clear of all mortgages, charges and other encumbrances;
- (b) the User has fulfilled all obligations, including regulatory and contractual, necessary for the User to supply Natural Gas at each Receipt Point for transportation by APT Allgas under this Access Agreement; and
- (c) the User has the right to supply Natural Gas at each Receipt Point for transportation by APT Allgas under this Access Agreement.

**Comment [Allgas9]:** As discussed in section 12.2 of the submission

### 7.2 *Ownership*

Upon receipt of Natural Gas at a Receipt Point:

- (a) the Natural Gas, except Unaccounted for Gas, shall remain the property of the User within the Network; and
- (b) Unaccounted for Gas shall become the property of APT Allgas within the Network.

### 7.3 *Commingling*

The Natural Gas received at any Receipt Point may be commingled with other Natural Gas in the Network. APT Allgas is entitled to deliver Natural Gas in a commingled state to each Delivery Point.



## 8 Charges, invoicing and payments

### 8.1 *Security*

APT Allgas may require a User to:

- (a) provide reasonable security, the type and extent to be reasonably determined by APT Allgas, for the performance of the User's obligations under this Access Agreement; and
- (b) demonstrate to APT Allgas' reasonable satisfaction the User's ability to meet all financial obligations under this Access Agreement.

#### 8.1.1 When Security Undertaking is Required

In applying clause 8.1, APT Allgas may request the User to procure an undertaking under clause 8.1.2 if, at the time of the request the User cannot demonstrate that:

- (a) it is rated and has an Acceptable Credit Rating; or
- (b) the performance of the User's obligations under this Access Agreement are guaranteed (on terms acceptable to APT Allgas) by a Credit Support Guarantor..

#### 8.1.2 Undertaking

Subject to clause 8.1.1, the User must give to APT Allgas within 10 Business Days after APT Allgas' request under clause 8.1.1, an unconditional and irrecoverable undertaking (Credit Support) in favour of APT Allgas for an amount not less than the amount payable by the User to APT Allgas under this Access Agreement for the 3 months following the request, such amount is to be reasonably estimated by APT Allgas (Required Amount). The Credit Support must be issued to either an Australian Bank and another financial institution approved by APT Allgas on terms acceptable to APT Allgas to secure the due and punctual performance of the User's obligations under this Access Agreement.

#### 8.1.3 Suspend Reference Services

If, within 10 Business Days after APT Allgas' request under clause 8.1.2 the User fails to provide the Credit Support, APT Allgas may suspend the provision of Reference Services until the User provides APT Allgas with the Credit Support.



#### 8.1.4 Call on the Credit Support

APT Allgas may only call on the Credit Support to convert it into money if the User has failed to pay any amount due and owing to APT Allgas in connection with this Access Agreement within 7 days of APT Allgas issuing a written notice of demand requiring payment.

#### 8.1.5 User not to Restrain

Subject to APT Allgas complying with clause 8.1.4, the User must not take any steps to seek an injunction or otherwise restrain:

- (a) any issuer of the Credit Support from paying APT Allgas pursuant to the Credit Support;
- (b) APT Allgas from taking any steps for the purposes of making a demand against the Credit Support; or
- (c) APT Allgas using the money obtained in the calling on the Credit Support.

#### 8.1.6 Maintenance of Required Amount

If, at any time during the term of this Access Agreement, the uncalled Credit Support is less than the Required Amount, the User must, within 10 Business Days of APT Allgas' request, increase the amount of the Credit Support to the Required Amount.

#### 8.1.7 Refund of Balance

Any balance of the Credit Support outstanding after payment of all amounts owing by the User to APT Allgas in connection with this Access Agreement will be paid to the User (or cancelled or returned to the User, as appropriate or advised by the User) following termination of this Access Agreement.

#### 8.1.8 No Prejudice of Rights

APT Allgas' exercise of its rights under this clause 8.1 does not prejudice any other rights which APT Allgas may have in respect of any outstanding amount owed by the User.

### ***8.2 Obligation to Pay Charges***

In consideration for the Reference Services provided, or to be provided under this Access Agreement, the User must pay APT Allgas the Charges in accordance with this Part 8.



### **8.3 Invoicing**

APT Allgas will use reasonable endeavours to provide, either in writing or by electronic means, a tax invoice (Tax Invoice) by the seventh Day of each Month, specifying an itemised list:

- (a) of the amounts due in respect of the Reference Services supplied to the User in the preceding Month;
- (b) of any other item agreed between the parties; and
- (c) describing each item with sufficient information to enable the User to reconcile the Charges at an individual customer level.

Any failure to provide the Tax Invoice within this period does not limit or restrict the rights of APT Allgas in relation to the amounts due under this Access Agreement.

### **8.4 Payment**

The User shall pay the aggregate amount stated in the Tax Invoice within 14 Days of the date of the Tax Invoice (the Due Date). Payment may be made by electronic funds transfer to a nominated bank account or such other means as previously agreed to in writing between the parties. If the Due Date is not a Business Day, then payment shall be made on or before the preceding Business Day.

Notwithstanding clause 8.6, the User shall pay the full amount of any disputed invoice in accordance with this clause.

### **8.5 Failure to Pay the Tax Invoice**

If the Tax Invoice is not paid by the Due Date:

- (a) APT Allgas may require the User to pay interest on the overdue amount, calculated on a daily basis at the Rate plus 2% per annum from the Due Date to the date of payment;
- (b) APT Allgas may issue a written notice of demand requiring payment of the amount within 7 Days from the date of the notice of demand; and
- (c) if the amount is not paid within the time specified in the notice of demand, APT Allgas may:
  - (i) suspend provision of the Reference Services to the User, or
  - (ii) terminate this Access Agreement in accordance with Part 18.



## 8.6 *Disputed Tax Invoices*

If the User disputes part or all of the Tax Invoice:

- (a) the User shall, within 7 Days after receipt of the Tax Invoice, notify APT Allgas in writing specifying the amount in dispute and the reasons for the dispute;
- (b) each party shall nominate an officer who shall meet with the other party's officer to try to resolve the dispute; and
- (c) if those officers fail to resolve the dispute within 21 Days, each party shall comply with Part 16.

## 8.7 *Incorrect Tax Invoices*

If it comes to the attention of either party that the User has been overcharged or undercharged:

- (a) the party, upon becoming aware of the error, must notify the other party of the error;
- (b) APT Allgas must verify the error and the amount undercharged or overcharged;
- (c) within 28 Days of the notification under paragraph (a), APT Allgas may issue an amended tax invoice or if the Tax Invoice has been paid, credit the User's account in respect of the amount in error.

The User may not claim from APT Allgas any amount overcharged if more than 12 Months has elapsed since the date of the Tax Invoice in which the overcharge occurred except for any claims that the User is required to pursue by law on behalf of a customer of the User.

**Comment [Allgas10]:** AER amendment 12.8

APT Allgas may not claim from any User any amount undercharged if more than 12 Months has elapsed since the date of the Tax Invoice in which the undercharge occurred.

## 8.8 *Interest on Disputed or Incorrect Amount*

If either party makes a payment under clause 8.6 or 8.7, the party can be required to pay interest on that amount, calculated daily at the Rate plus 2% per annum, from the Due Date.



### **8.9** *Adjustment Where Tax Invoice Estimated*

If information is unavailable to APT Allgas at the beginning of a Month to allow preparation of the Tax Invoice based on actual Charges, (Estimated Month) APT Allgas shall use estimated information to prepare the Tax Invoice. In the Month that information becomes available (Current Month) with respect to these actual Charges, the Tax Invoice for the Current Month shall be adjusted to reflect the difference between the actual and estimated Charges of the Estimated Month. Neither APT Allgas nor the User shall be entitled to the payment of interest on any adjustment under this clause 8.9.





## 9 Variations to tariffs

### 9.1 Variation of Reference Tariffs

Reference Tariffs applying under the Access Agreement will be varied in accordance with the Reference Tariff Variation Mechanisms. There are two Reference Tariff Variation Mechanisms:

- an Annual Scheduled Reference Tariff Adjustment Formula Mechanism - which applies in respect of each Year during the Access Arrangement Period, and is set out in clause 4.5.2 of the Access Arrangement; and
- Cost Pass-through Reference Tariff Variation Mechanism - under which APT Allgas may seek to vary one or more of the Reference Tariffs, and is set out in clause 4.5.4 of the Access Arrangement.

### 9.2 Variation of charges for non-Reference Services

This clause 9.2 applies to the provision of non-Reference Services under the Access Agreement.

APT Allgas will vary charges for non-Reference Services provided under the Access Agreement by CPI.

If there is a change in law (other than to the extent it relates to new or amended income or capital gains taxes) which results in a change in the relevant costs of APT Allgas or its Related Bodies Corporate by more than a trivial amount, the Parties must adjust the amounts payable by the User under the Access Agreement or make provision for a lump sum payment of compensation or another form of adjustment for the Net Financial Effect experienced by APT Allgas as a consequence of the change in law.

APT Allgas may recover from the User the amount by which a New Impost or Carbon Pricing Event increases APT Allgas' costs of providing the non-Reference Services under the User's Access Agreement by more than a trivial amount.

**Comment [Allgas11]:** AER amendments 12.9 and 12.10, discussed in section 12.1 of the submission



## 10 Information and assistance

Each party will provide to the other party in a timely manner whatever information, assistance and co-operation the other party might reasonably require from time to time in connection with this Access Agreement. Either party may charge a fee to cover costs reasonably incurred in connection with the provision of the information.

The User will procure the User's End Users, or Transmission Pipeline Operator, to provide to APT Allgas at no cost and in a timely manner whatever information, assistance and co-operation APT Allgas might reasonably require from time to time in connection with this Access Agreement.

**Comment [Allgas12]:** AER amendment 12.11, discussed in section 12.1 of the submission



## **11 Access to premises**

### ***11.1 User's Obligation***

The User must:

- (a) grant APT Allgas, its employees, servants and agents safe, reasonable and unhindered access and any easement, licence or other document which APT Allgas reasonably requires to assure APT Allgas its right of access, to enter any premises owned by the User upon which facilities connected to the Network are located; and
- (b) use reasonable endeavours to assist APT Allgas, its employees, servants and agents to gain safe, reasonable and unhindered access, including the grant of any easement, licence or other document which APT Allgas reasonably requires to assure APT Allgas its right of access, to enter any premises owned by a third party, including the User's End User, upon which facilities connected to the Network are located,
- (c) so that APT Allgas may perform its obligations or exercise any rights under this Access Agreement.

### ***11.2 APT Allgas' Obligation***

Prior to exercising any rights conferred by clause 11.1, APT Allgas must take all reasonable steps to ensure its employees, servants and agents who enter the premises cause as little inconvenience to the User as possible and observe relevant safety and security procedures in providing the Reference Services under this Access Agreement.



## 12 Interruptions for maintenance

### 12.1 *Immediate Repairs or Maintenance*

After providing the User as much notice as is reasonable in the circumstances (except in an emergency when no notice is required), APT Allgas shall be entitled to curtail or interrupt provision of the Reference Services:

- (a) to protect the operational integrity and safe operation of the Network; or
- (b) to comply with any applicable laws and regulations; or
- (c) in any other situation when immediate repairs or maintenance are required.

APT Allgas, when undertaking localised curtailment or interruption to the provision of the Reference Services will do so in a manner that treats similar Users the same.

### 12.2 *Planned Repairs or Maintenance*

If APT Allgas proposes to carry out any planned work which may affect its ability to provide Reference Services to the User, APT Allgas shall give the User reasonable notice of the planned work and after consultation with the User, shall in carrying out that work, use all reasonable endeavours to avoid or minimise any disruption or curtailment to the Reference Services as is reasonable in the circumstances.

### 12.3 *Supply Curtailment*

#### 12.3.1 Right to Curtail

Subject to clauses 12.3.2 and 12.3.3, APT Allgas may interrupt or curtail deliveries of Natural Gas through the Network (whether to or for the account of the User or to or for the account of any other person):

- (a) where necessary to permit maintenance, repairs, improvements or alterations to the Network or any part of it;
- (b) where necessary to protect the operational integrity of the Network or any part of it or to ensure the safe and efficient operation of the Network or any part of it;
- (c) where the Quantity of Natural Gas delivered into the Network or any part of it is insufficient to meet demand; or



- (d) in the event of an emergency or where necessary to avert danger to persons or property or to comply with any law.

### 12.3.2 Notice of Curtailment

APT Allgas will give the User or the User's End Users at least four days' notice whenever APT Allgas proposes to interrupt or curtail deliveries of Natural Gas to or for the account of the User in order that APT Allgas may undertake Planned Maintenance or augment the Network.

Whenever APT Allgas proposes to interrupt or curtail deliveries of Natural Gas to or for the account of the User for any reason (other than an emergency), APT Allgas will give the User whatever notice is reasonable in the circumstances.

### 12.3.3 Order of Priority

If APT Allgas proposes to interrupt or curtail deliveries of Natural Gas pursuant to clause 12.3 and it has a choice about which deliveries it will interrupt or curtail, or the order in which it will interrupt or curtail deliveries, then, to the extent that it is practicable to do so, APT Allgas will endeavour to interrupt or curtail deliveries in the following descending order of priority:

- (a) Interruptible Delivery Points;
- (b) Demand Customer Delivery Points with alternative fuel sources;
- (c) Demand Customer Delivery Points with the ability to shut down their plant or operations with minimal disruption;
- (d) Demand Customer Delivery Points which are capable of releasing the greatest capacity to that part or parts of the Network in respect of which load shedding is required;
- (e) other Demand Customer Delivery Points;
- (f) Volume Customer Delivery Points that are not Domestic Delivery Points;
- (g) Domestic Delivery Points;
- (h) emergency or essential services (such as hospitals).

Where two or more Delivery Points fall within a particular category specified in this clause, APT Allgas may interrupt or curtail deliveries to those Delivery Points in such order as APT Allgas determines having regard to the relevant circumstances, but



APT Allgas will not select which of those Delivery Points to curtail or interrupt based on the identity of the User.

#### 12.3.4 Categorisation of Delivery Points

For the purposes of clause 12.3, APT Allgas will determine, on a reasonable basis, into which category any particular Delivery Points falls, based on its actual knowledge of the Delivery Point. APT Allgas' determination will bind the User.

#### 12.3.5 User Information

The User must give APT Allgas whatever information APT Allgas reasonably requests from time to time to enable APT Allgas to interrupt or curtail deliveries of Natural Gas pursuant to the Access Agreement. That information may include (but is not limited to) emergency contact details for the User and for the User's End Users (as appropriate).

#### 12.3.6 Updates

The User must give APT Allgas whatever additional information is necessary from time to time to ensure that all information given to APT Allgas pursuant to the previous clause remains true, correct and up to date throughout the Term.

#### 12.3.7 Assistance

The User must give APT Allgas (and must cause or procure each User's End User to give APT Allgas) whatever assistance APT Allgas reasonably requests from time to time to interrupt or curtail deliveries of Natural Gas to or for the account of the User.



## 13 Insurance

### 13.1 *User's Obligation*

The User must:

- (a) take out valid insurance policies throughout the Term, with insurers approved by APT Allgas, such approval not being unreasonably withheld, against whatever risks APT Allgas reasonably specifies from time to time by notice to the User, including:
  - (i) workers' compensation insurance in accordance with statutory requirements, including cover for unlimited common law liability;
  - (ii) all risks property damage insurance providing indemnity against any damage, loss or destruction of the User's plant and equipment connected to the Network; and
  - (iii) public and products liability insurance for an amount of not less than \$10 million providing indemnity against any risk of loss, destruction, damage, death or injury to property or third parties; and
- (b) whenever reasonably requested by APT Allgas, give APT Allgas a certificate of currency for the insurance.

**Comment [Allgas13]:** AER amendment 12.12

### 13.2 *Claims*

In dealing with claims or potential claims against the insurance policy arising from an event in relation to the Network maintained by the User under this Access Agreement, the User must:

- (a) promptly notify APT Allgas of the event which gives rise to, or may give rise to, the claim; and
- (b) take whatever steps APT Allgas reasonably requires to enforce settlement of the claim.

**Comment [Allgas14]:** AER amendment 12.13

### 13.3 *Failure to Insure*

If the User fails to obtain or maintain any insurance under clause 13.1:

- (a) the User must promptly notify APT Allgas of the breach; and



- (b) APT Allgas may proceed to obtain and maintain that insurance on behalf of the User, at the User's expense.





## 14 Warranties, indemnities and limitation of liability

### 14.1 *Indirect or Consequential Loss*

Notwithstanding any clause of this Access Agreement, neither APT Allgas nor the User will be liable for any Consequential Loss arising out of or in connection with this Access Agreement (except as provided for elsewhere in the Access Arrangement).

### 14.2 *Claim by the User*

If the User has any claim against APT Allgas arising out of or in connection with this Access Agreement the User must promptly notify APT Allgas in writing, including sufficient details of the claim to enable a reasonable assessment by APT Allgas.

### 14.3 *Limit of Liability*

Notwithstanding any other provision of this Access Arrangement, any claim or claims by the User against APT Allgas arising out of or in connection with this Access Arrangement shall be limited to \$100,000 in total in any one calendar Year during the Term.

**Comment [Allgas15]:** AER amendment 12.15, discussed in section 12.1 of the submission

### 14.4 *Implied Warranties*

In respect of implied conditions and warranties:

- (a) APT Allgas excludes all implied conditions and warranties except any implied condition or warranty the exclusion of which would contravene any statute or cause any part of this clause to be void (Non-excludable Warranty);
- (b) APT Allgas' liability to the User for breach of a Non-excludable Warranty (other than an implied warranty of title) is limited, at APT Allgas' option, to refunding the price of the goods or services in respect of which the breach occurred or to providing, replacing or repairing those goods or providing those services again but in either case shall not exceed the amount of \$100,000; and
- (c) nothing in this Access Agreement excludes or limits the application of any provision of any statute (including the *Competition and Consumer Act 2010*) where to do so would:
  - (i) contravene that statute; or

**Comment [Allgas16]:** AER amendment 12.16



- (ii) cause any part of this Access Agreement to be void.

### **14.5 Indemnities**

APT Allgas will make good or pay compensation to an equivalent value for damage to property caused by APT Allgas or its agents in installing, reading or servicing equipment used for the purpose of delivering Natural Gas.

The User indemnifies APT Allgas and its employees, agents and contractors, against all liabilities, losses, damages, costs and expenses suffered or incurred by APT Allgas or its employees, agents and contractors as a result of:

- (a) breach by the User of its obligations under this Access Agreement;
- (b) breach by the User of any of its warranties made or deemed to have been made under this Access Agreement;
- (c) damage to any Receipt Point, any Delivery Point, any Metering or any other part of the Network, that is caused by the act or omission of the User or any of the User's End Users or any of their respective employees, agents, contractors or invitees;
- (d) death or personal injury of any person resulting from an act or omission of the User or any of the User's End Users or any of their respective employees, agents, contractors or invitees;
- (e) any claim by any third party, including any of the User's End Users, in respect of any injury, loss, damage, costs or expenses of any kind arising out of or in connection with this Access Agreement or resulting directly or indirectly from the operation, maintenance, repair, administration or management of the Network or any part of it; and
- (f) the imposition of costs, charges, royalties, excises or taxes.



## 15 Confidentiality

### 15.1 *User's Obligations*

The User:

- (a) may use Confidential Information only for the purposes of this Access Agreement; and
- (b) must keep confidential all Confidential Information, except if disclosure is permitted by clause 15.2.

### 15.2 *Disclosure*

The User may disclose Confidential Information:

- (a) to the extent required by law; and
- (b) to its employees, servants and agents for the purposes of this Access Agreement, having first directed its employees, servants and agents to keep confidential all Confidential Information.

### 15.3 *APT Allgas' Obligations*

APT Allgas is bound by Part 16 of the Rules regarding the confidentiality of information disclosed by Users.

### 15.4 *Survival*

This Part 15 will survive the termination or expiration of the Access Agreement.

**Comment [Allgas17]:** AER amendment 12.17



## 16 Dispute resolution

A party must not start arbitration or court proceedings (except proceedings seeking interlocutory relief) in respect of a dispute arising out of this Access Agreement (Dispute) unless it has complied with the following procedure:

- (a) a party claiming that a Dispute has arisen must notify the other party to the Dispute giving details of the Dispute;
- (b) during the 20 Business Day period after a notice is given under paragraph (a) (or longer period agreed in writing by the parties to the Dispute) (Initial Period) each party to the Dispute (Disputant) must use its reasonable efforts to resolve the Dispute;
- (c) if the Disputants are unable to resolve the Dispute within the Initial Period, each Disputant agrees that the Dispute must be referred for mediation, at the request of either Disputant;
- (d) a Dispute referred for mediation under paragraph (c) must be dealt with in the following manner:
  - (i) the mediator will be appointed by the Institute of Arbitrators & Mediators Australia;
  - (ii) the mediation process and timetable will be chosen by the mediator but must be completed within 20 Business Days of referral to mediation;
  - (iii) any determination of the mediator will not be binding on the parties unless the parties agree to be bound in writing;
  - (iv) information relating to the subject matter of the Dispute must remain confidential to the parties; and
  - (v) if the Dispute is not resolved within 20 Business Days of being referred to mediation, the mediation process will terminate at the expiry of that period;
- (e) each Disputant must bear its own costs of complying with this Part and the Disputants must bear equally the costs of any mediator engaged; and
- (f) each party must continue to comply with this Access Agreement notwithstanding the existence of a Dispute under this Part.



## 17 Settlement of industrial disputes

Notwithstanding any other provision in this Access Agreement, the parties agree that the settlement of strikes, lockouts and other industrial disturbances affecting the Network shall be entirely within the discretion of APT Allgas.



## 18 Termination

### 18.1 *Default by the User*

If the User:

- (a) suffers an Insolvency Event; or
- (b) defaults in the payment of any moneys owing following receipt of a notice of demand under clause 8.5; or
- (c) defaults in the performance of any obligations under this Access Agreement, other than the payment of any moneys owing and, where such default is capable of remedy, fails to remedy or remove the cause or causes of default within 21 Days from the receipt of written notification from APT Allgas requiring the User to remedy or remove the default,

APT Allgas may at its sole discretion:

- (a) suspend the Reference Services to the User until:
  - (i) all moneys in default plus interest at the Rate plus 2% per annum have been paid; or
  - (ii) any other default, including the Insolvency Event, has been remedied or removed; and/or
- (b) terminate this Access Agreement by notice, with immediate effect upon receipt.

### 18.2 *Default by APT Allgas*

If APT Allgas suffers an Insolvency Event or defaults in the performance of material obligations under this Access Agreement and, where such default is capable of remedy, fails to remedy or remove the cause or causes of the default within 21 Days from the receipt of written notification from the User requiring APT Allgas to remedy or remove the default, then the User may terminate this Access Agreement by notice with immediate effect upon receipt.

**Comment [Allgas18]:** AER amendment 12.19

### 18.3 *After Termination*

After termination of this Access Agreement, APT Allgas and the User have no further rights or obligations under this Access Agreement except:



- (a) under Parts 8, 14, 15 and clause 18.6 which continue in full force and effect; and
- (b) the User is still obligated to pay moneys owing.

**Comment [Allgas19]:** AER amendment 12.18

**18.4 Costs**

Without notice to the User, any costs reasonably incurred by APT Allgas in remedying a default under clause 18.1 may be treated as a liquidated debt payable by the User.

**Comment [Allgas20]:** AER amendment 12.20

**18.5 Additional Rights and Remedies**

The termination rights and remedies set out in this Part 18 are in addition to and not in substitution for any other rights or remedies available to each party whether pursuant to this Access Agreement, at law, in equity or otherwise.

**Comment [Allgas21]:** AER amendment 12.21

**18.6 Effect of Termination**

Termination by a party shall be without prejudice to any accrued rights or remedies of either party which are expressed to survive termination.



## 19 Force Majeure

### 19.1 *Effect of Force Majeure*

If a Force Majeure Event affecting a party precludes that party (Precluded Party) partially or wholly from complying with its obligations, except its payment obligations under Part 8 of this Access Agreement, then:

- (a) as soon as reasonably practicable after that Force Majeure Event arises, the Precluded Party must notify the other party of:
  - (i) the Force Majeure Event;
  - (ii) which obligations the Precluded Party is precluded from performing (Affected Obligations);
  - (iii) the extent to which the Force Majeure Event precludes the Precluded Party from performing the Affected Obligations (Precluded Extent); and
  - (iv) the expected duration of the delay arising directly out of the Force Majeure Event;
- (b) the Precluded Party's obligation to perform the Affected Obligations will, to the Precluded Extent, be suspended for the duration of the actual delay arising directly out of the Force Majeure Event (Actual Delay); and
- (c) the other party's obligations to perform any obligations dependent on the Affected Obligations will be suspended until the Precluded Party resumes performance.

### 19.2 *Termination*

If the Actual Delay continues for more than 6 months, the other party may terminate this Access Agreement immediately by giving notice to the Precluded Party.





## **20 Assignment**

### ***20.1 The User***

The User must not transfer, assign or otherwise deal with this Access Agreement or any rights under this Access Agreement except in accordance with the Access Arrangement as amended from time to time.

### ***20.2 APT Allgas***

APT Allgas may:

- (a) transfer or assign its rights and obligations under this Access Agreement to any person; and
- (b) mortgage, charge or otherwise encumber any of its rights or obligations under this Access Agreement in favour of any person.

### ***20.3 Effect of Assignment***

If APT Allgas exercises its right under clause 20.2(a), APT Allgas will be automatically released and discharged from its rights, obligations and liabilities under and in relation to this Access Agreement.



## 21 Notices

### 21.1 *Written Notice*

Unless otherwise agreed, a party notifying under this Access Agreement must do so in writing:

- (a) directed to the recipient's address as specified in the Instrument of Agreement, or as varied by any notice; or
- (b) hand delivered or sent by prepaid post or facsimile to that address.

APT Allgas' address and facsimile numbers is:

APT Allgas: General Manager Networks

Level 19, HSBC Building  
580 George Street  
Sydney NSW 2000  
PO Box R41  
Royal Exchange NSW 1225  
Ph 02 9693 0057  
Fax 02 9693 0093

### 21.2 *When Notice Received*

A notice given in accordance with clause 21.1 is taken to be received:

- (a) if hand delivered, on delivery;
- (b) if sent by prepaid post, 3 Business Days after the date of posting; or
- (c) if sent by facsimile, when the sender's facsimile system generates a message confirming successful transmission of the total number of pages of the notice unless, within eight Business Hours after that transmission, the recipient informs the sender that it has not received the entire notice.



## 22 Miscellaneous provisions

### 22.1 *Authority to Sign*

Each party warrants that it has authority to sign this Access Agreement and that such authority has not been revoked. Each representative signing this Access Agreement warrants that:

- (a) the authority under which the representative has been appointed to sign this Access Agreement on behalf of each party is effective; and
- (b) the representative has received no notice of the termination (including any event which would constitute termination by operation of law) of the authority to sign this Access Agreement on behalf of each party.

### 22.2 *Waiver*

The failure of a party at any time to require performance of any obligation under this Access Agreement is not a waiver of that party's right:

- (a) to insist on performance of, or claim damages for breach of, that obligation unless that party acknowledges in writing that the failure is a waiver; and
- (b) at any other time to require performance of that or any other obligation under this Access Agreement.

### 22.3 *Rights, Powers and Remedies*

Each right, power and remedy of each party under this Access Agreement is in addition to any other right, power and remedy of each party under this Access Agreement or at law. The exercise by a party of any one right, power or remedy will not preclude the simultaneous or subsequent exercise of any right, power or remedy.

**Comment [Allgas22]:** AER amendment 12.22

### 22.4 *Governing Law*

This Access Agreement is governed by the law applicable in Queensland. Each party submits to the jurisdiction of the courts of Queensland.



### ***22.5 Severability***

Part or all of any provisions of this Access Agreement that is illegal or unenforceable may be severed from this Access Agreement and the remaining provisions of this Access Agreement continue in force.

### ***22.6 No Benefit to Other Persons***

Neither APT Allgas nor the User intends that the provisions of this Access Agreement are to benefit, or affect contractually, in any way any other person. No person, other than valid assignees, will have any right to enforce the terms of this Access Agreement against the User or APT Allgas.

### ***22.7 Relationship***

APT Allgas and the User acknowledge that this Access Agreement does not create a relationship of joint venturers or partnership between APT Allgas and the User.

### ***22.8 Costs and Stamp Duty***

Each party will bear its own costs of preparing and executing of this Access Agreement. The User will pay all stamp duty payable in any jurisdiction on or in respect of this Access Agreement or any document prepared or executed to give effect this Access Agreement.

### ***22.9 Further Assurances***

The User will do, or procure to be done, all things that APT Allgas considers necessary or desirable from time to time to give full effect to this Access Agreement.

### ***22.10 Alteration***

Subject to Part 1, this Access Agreement may be altered only in writing signed by each party.

### ***22.11 Counterparts***

This Access Agreement may be executed in any number of counterparts.