



**BALLERA TO WALLUMBILLA NATURAL GAS
PIPELINE (“SWQP”)**

**PROPOSED ACCESS ARRANGEMENT
UNDER THE NATIONAL ACCESS CODE**

**FINAL DECISION SUBMISSION #1 (FDS1)
REVISED ACCESS ARRANGEMENT
DOCUMENTATION**

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1. Introduction

1. The Regulator released its final decision in relation to the proposed access arrangement for the Ballera to Wallumbilla Natural Gas Pipeline in South-West Queensland ("SWQP") on 28 November 2001.
2. The Regulator requires Epic Energy to make 8 amendments or changes in the nature of amendments to the proposed access arrangement before it will be approved.
3. This submission contains the revised access arrangement and access arrangement information document and are the relevant documents lodged by Epic Energy with the Regulator in accordance with section 2.18 of the Code.
4. The revised access arrangement does not comply with all of the amendments contained in the final decision but contains further amendments over and above those contained in the final decision. This submission attempts to outline for the Regulator's benefit:
 - (1) the amendments of the final decision that have not been complied with at all in this revised access arrangement document suite;
 - (2) the amendments of the final decision that have been modified by Epic Energy in this revised access arrangement document suite;
 - (3) the additional amendments that Epic Energy has made to which Epic Energy believes are required as they are either consequential to the amendment/s contained in the final decision or are required to clarify certain aspect/s of the access arrangement.
5. In relation to the amendments referred in items (2) and (3) in the above paragraph, this submission also outlines how the relevant amendments will enable the Regulator to be satisfied, in accordance with section 2.19 of the Code that:
 - each relevant amendment substantially incorporates the relevant final decision amendment; or
 - each relevant amendment otherwise addresses the matter/s the Regulator identified in its final decision as being the reasons for requiring the relevant amendment specified in the final decision.

2. Amendments in the Final Decision that are not incorporated in the revised access arrangement

- 2.1 The attached table highlights the amendments that are not included in the revised access arrangement.
- 2.2 Epic Energy will shortly be providing the Regulator with a detailed submission outlining why it considers that Epic Energy's position in relation to the aspects of the access arrangement that are the subject of these amendments is consistent with the Code and why the Regulator's amendments do not reflect a proper interpretation of the Code.

3 Amendments in the Final Decision that differ to those set out in the final decision

This section of the Submission outlines the relevant amendments in the final decision that are not expressly incorporated in the revised access arrangement but for which Epic Energy has made an amendment in the revised access arrangement which Epic Energy considers will enable the Regulator to be satisfied, in accordance with section 2.19 of the Code that:

- It substantially incorporates the relevant final decision amendment; or
- It otherwise addresses the matter/s the Regulator identified in its final decision as being the reasons for requiring the relevant amendment specified in the final decision.

2.1 Amendment A3.4

2.1.2 Epic Energy Amendment

Epic Energy has not complied with this amendment. Instead, the revised access arrangement contains an additional clause 10.5 which reads as follows:

“10.5 If Epic Energy amends the Gas Transportation Agreement Terms and Conditions pursuant to this clause 10, it must display on its web site, a copy of the terms and conditions highlighting the amendments made.”

2.1.3 Reason for variation

This amendment was proposed in Epic Energy’s letter of 26 November 2001. It ensures that Prospective Users and the Commission will be aware of any changes that have been made to the terms and conditions so that any change which is not in accordance with clauses 10.3 and 10.4 will not be allowed.

2.2 Amendment A3.6

2.2.1 Epic Energy Amendment

The clause has been amended to read as follows (amendments are shown in red):

“12.1 Epic Energy will enhance or expand the Capacity of the SWQP to meet the gas transportation needs of Prospective Shippers where Epic Energy believes the tests in Sections 6.22(b) and (c) of the Code have been met. However, nothing in this Access Arrangement compels Epic Energy to:

- (1) fund all or part of the expansion of or extension to the SWQP;
- (2) extend the geographical range of the SWQP;
- (3) make a Prospective Shipper become the owner of the SWQP or a part of the SWQP, or any extension to or expansion of it; or
- (4) fund part or all of an expansion or extension.

2.2.2 Reason for variation

The amendment more properly reflects the provisions of section 6.22. A service provider should not be compelled under an access arrangement to do any more than what the Law compels it to do.

3. Other Amendments that were not included in the Final Decision but that have been included in the Revised Access Arrangement

There are certain further amendments that Epic Energy believes need to be made to the access arrangement and access arrangement information document for the following reasons:

- in order for certain amendments required by the Final Decision, to make sense.
- In order to clarify and update certain aspects of the access arrangement documentation.

Below are details of the substantive amendments made.

3.1 Amendment RAA1

3.1.1 Clause 1.3 of AAI and clauses 2.1 & 2.2 of the AA

These clauses have been amended to reflect the correct factual circumstances surrounding the awarding of the tender and actual construction of the SWQP.

3.2 Amendment RAA2

3.2.1 Clause 1.8 of AAI

This clause has been amended to reflect the correct facts relating to the approval of the derogations under section 58 of the Gas Pipelines Access (Queensland) Act 1998.

3.3 Amendment RAA3

3.3.1 Clause 6.5 of AAI – Table 6.2

This table has been amended to reflect the current configuration of the pipeline and customer base as at the date of lodgment of the revised access arrangement information.

There are various places in the access arrangement information document that have been amended to reflect the fact that the NWQ Interconnect has now been constructed and commissioned.

3.4 Amendment RAA4

3.4.1 Clause 2.6 of AA

This clause has been amended to properly reflect the law as contained in the Gas Pipelines Access (Queensland) Act 1998.

3.5 Amendment RAA5

3.5.1 Clause 4 of AA

This clause has been amended to properly reflect the law as contained in the Gas Pipelines Access (Queensland) Act 1998.

3.6 Amendment RAA6

3.6.1 Clause 6.1(b)(i) of AA

The introductory paragraph of this clause has been amended (as shown in red) to read as follows:

“Epic Energy is prepared to offer (subject to operational availability **and agreement between the Prospective Shipper and Epic Energy as to terms and conditions**) the following Non Reference Services which may be sought by a Prospective Shipper:”

3.6.2 Reason for Amendment

This reflects the nature of non reference services.

3.7 Amendment RAA7

3.7.1 Clause 12.6 of AA Annexure B

This clause has been inserted to reflect the submission from Santos in relation to the proposed trading policy.

3.8 Amendment RAA8

3.8.1 Definitions of Services in Annexure C to the AA

The definitions of the variety of Services have been amended so that they are cross referenced to the correct terms contained in the Access Principles. In the original proposed access arrangement, the Services were cross referenced to terms that were not used in the Access Principles. This overcomes any uncertainty as to interpretation that may have existed.