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Attention: Energy writers

A.C.C.C. RECEIVES PROPOSED ACCESS ARRANGEMENT FROM GASNET AUSTRALIA

The Australian Competition and Consumer Commission has received a revised access arrangement for the Principal Transmission System from GasNet Australia (Operations) Pty Ltd for approval under the *National Third Party Access Code for Natural Gas Pipeline Systems*. The Australian Energy Regulator is assisting the ACCC in this assessment.

The access arrangement describes the terms and conditions under which GasNet Australia as owner of the PTS proposes to offer third parties access to the Principal Transmission System.

The ACCC has now issued the application for comment by interested parties together with an issues paper to assist parties to prepare their submissions. The ACCC's *Access arrangement process guideline*, dated 9 December 2005, also provides information that may assist submitters.

GasNet Australia lodged its proposed access arrangement and access arrangement information on 30 April 2007 and has subsequently provided amended access arrangement information on 14 May 2007. In addition, GasNet Australia has requested confidentiality over certain information provided. The ACCC considered that this information should not be confidential and will be made available to all interested parties on the AER's website no later than 8 June 2007.

Submissions should be received by the ACCC by Friday 29 June 2007.

The proposed revised access arrangement application and associated documents, including the public issues paper, will be available from the AER's website www.aer.gov.au (under *Regulation/Gas Transmission Pipelines*).

Media inquiries

Mr Graeme Samuel, Chairman, (02) 6243 1131 or 0408 335 555

Mr Ed Willett, ACCC Commissioner, 0414 555 599

Ms Lin Enright, Director, Public Relations, (02) 6243 1108, 0414 613 520

General inquiries

Infocentre: 1300 302502

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BACKGROUND

The Principal Transmission System (PTS) is the primary pipeline for the transmission of natural gas at high pressure in Victoria. Under the market carriage capacity management system operating in Victoria, users currently pay tariffs to both the system owner, GasNet Australia, and the independent system operator, VENCORP.

The PTS is approximately 1,900 km in length, delivers over 220 PJ annually and serves approximately 1.4 million residential customers and 450,000 industrial and commercial customers. The PTS is not a traditional point to point pipeline as there are a number of supply points. The majority of gas is sourced from the Gippsland basin via Longford with increased supply projected from Otway's basin via Port Campbell. In addition the PTS is connected to the:

- Moomba to Sydney Pipeline via the NSW interconnection at Culcairn
- SEAGas pipeline to South Australia
- Western Underground Gas Storage Facility at Port Campbell
- the VicHub interconnection with the Eastern Gas Pipeline
- the Yolla gas fields (BassGas) connection at Pakenham, and
- the LNG facility at Dandenong.

GasNet Australia is the owner of the Principal Transmission System, a subsidiary of the Australian Pipeline Trust (part of the APA Group).

This current assessment is the second scheduled review by the ACCC of the access arrangement for GasNet Australia under the *National Third Party Access Code for Natural Gas Pipeline Systems* (the Code), which was initially approved in 1998. The ACCC on 28 March 2007 approved a request for VENCORP to delay lodgement of its proposed revisions on the basis that the Victorian Government will no longer require VENCORP to submit revised access arrangements for approval under the national gas access regime.