



Overview of the ring fencing compliance reports for gas transmission pipelines 2007-2008

The AER has reviewed the ring fencing compliance reports for 2007-08 for 16 transmission pipeline service providers. It found that information deficiencies from previous year's reports have been addressed and that all 16 service providers reported compliance with the minimum ring fencing obligations under the *National Third Party Access Code for Natural Gas Pipeline Systems* (the code).

The AER has written to each of the service providers regarding their 2007-08 reports.

A copy of the pro forma compliance report relevant to 2007-2008 is located on the Australian Energy Regulator website at www.aer.gov.au.

Ring fencing obligations

A service provider of a covered pipeline is required to comply with the minimum ring fencing obligations set out in section 4.1 of the code. The code requires that the service provider:

- be a legal entity (s. 4.1(a))
- not conduct a related business (s. 4.1(b))
- establish and maintain of separate and consolidated accounts (s. 4.1(c) and (d) of the code)
- allocate shared costs in a manner consistent with code principles (s. 4.1(e))
- protect confidential information (s. 4.1(f) and (g)), and
- ensure that marketing staff do not work for associates (s. 4.1(h) and (i)).

Service providers

For the 2007-2008 reporting period, the AER received annual ring fencing compliance reports from 16 service providers of 10 transmission pipelines. The relevant service provider

(owner or operator or in some cases both) which provided a 2007-08 ring fencing report is identified in bold in the table below.

Table: Summary of service providers of covered transmission pipelines at 30 June 2008

Pipeline	Owner	Operator
Moomba to Sydney	East Australian Pipeline Ltd	APT Management Services Pty Ltd
Central West (Marsden to Dubbo)	APT Pipelines (NSW) Pty Ltd	APT Management Services Pty Ltd
Central Ranges (Dubbo to Tamworth)	Central Ranges Pipeline Pty Ltd	Alinta Asset Management
Victorian Transmission System (GasNet System)	GasNet Australia (Operations) Pty Ltd	VENCorp Pty Ltd
South West Queensland Pipeline (Ballera to Wallumbilla)	Epic Energy Queensland Pty Ltd	Epic Energy Corporate Shared Services Pty Ltd
Roma (Wallumbilla) to Brisbane	APT Petroleum Pipelines Ltd	APT Management Services Pty Ltd
Queensland Gas Pipeline (Wallumbilla to Gladstone and Rockhampton)	Alinta DQP Pty Ltd (75%) and Alinta DEQP Pty Ltd (25%)	Alinta Asset Management Services
Carpentaria Pipeline (Ballera to Mount Isa)	CGP Joint Venture comprised of APT Pipelines (Old) Pty Ltd (30%) and Roverton Pty Ltd (70%)	APT Management Services Pty Ltd
Dawson Valley Pipeline	Dawson Joint Venture (DJV) comprised of Anglo Coal (Dawson) Limited (51%) and Mitsui Moura Investment Pty Ltd (49%)	Anglo Coal (Dawson Management) Pty Ltd
Amadeus Basin to Darwin Pipeline	Amadeus Gas Trust comprised of 96% APT Pipelines (NT) Pty Ltd and minor ownership by 4% Darnor Pty Ltd (Power and Water Corporation) and Centrecorp Aboriginal Investment Corporation Pty Ltd (a Central Land Council operative)	NT Gas Pty Ltd

Future reporting arrangements

The 2007-08 financial year is the last year in which compliance with the minimum ring fencing obligations set out in section 4.1 of the code is required. The AER is currently

consulting on the establishment of a new annual compliance process under the NGL and NGR, which is intended to be finalised by the end of November 2008.

Further information about the annual compliance process can be found on the AER's website at www.aer.gov.au.

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