
**Access Arrangement
for Roma-Brisbane Gas
Pipeline**

6 November 2000

ACCESS ARRANGEMENT FOR ROMA-BRISBANE GAS PIPELINE

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INTRODUCTION

This Access Arrangement has been prepared in accordance with the National Third Party Access Code for Natural Gas Pipelines and the Gas Pipelines Access (Queensland) Act 1998.

Derogation from Access Code

As contemplated in the Intergovernmental Natural Gas Pipelines Access Agreement dated 7 November 1997, transitional arrangements under the Gas Pipelines Access (Queensland) Act permitted the Minister for Mines and Energy to approve a tariff arrangement for the Pipeline¹.

In exercise of that power under the Act, the Minister approved a Tariff Arrangement for the Pipeline on 9 June 2000, and the approved Tariff Arrangement forms Schedule A to this Access Arrangement.

The approved Tariff Arrangement is taken to be approved under the Gas Pipelines Access Law as the Reference Tariff and Reference Tariff Policy for the Access Arrangement for the Pipeline until the revisions commencement date for this Access Arrangement².

Accordingly, the Regulator is not required to approve the Reference Tariff or the Reference Tariff Policy contained in the approved Tariff Arrangement, and the provisions of the Access Code in relation to approval of this Access Arrangement do not apply to the Reference Tariff or the Reference Tariff Policy to the extent that it is contained in the Access Arrangement.

In addition to the matters contained in the approved Tariff Arrangement, this Access Arrangement contains the Terms and Conditions of Service, Trading Policy, Queuing Policy, Extensions/Expansions Policy and Capacity Management Policy for the Pipeline.

Capacity to which Access Arrangement applies

Subject to the Extensions/Expansions Policy, this Access Arrangement applies to all capacity in the Pipeline.

Owners of Pipeline

The owners of the Pipeline are:

- APT Petroleum Pipelines Limited ACN 009 737 393, formerly known as AGL Petroleum Pipelines Limited (which is also the operator of the Pipeline)
- Interstate Pipelines Pty Limited (ACN 004 335 013)

referred to in this Access Arrangement as the Service Provider.

¹ Gas Pipelines Access (Queensland) Act 1998 section 58.
² Gas Pipelines Access Act 1998 (Qld) section 58(2)

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OVERVIEW

This Access Arrangement is set out as follows:

Section 1: Services Policy describes the Services offered under this Access Arrangement and the procedure to obtain access to the Services.

Section 2: Terms and Conditions of Service describes together with Schedule A2 the terms and conditions applicable to the Reference Service.

Section 3: Reference Tariffs describes the Reference Tariffs applicable to the Reference Service.

Section 4: Reference Tariff Policy describes the principles used to determine the Reference Tariffs, and additional matters regarding New Facilities Investment and Redundant Capital.

Section 5: Trading Policy which allows for Bare Transfer, assignment with consent and change of Delivery and Receipt Points.

Section 6: Queuing Policy describes the order in which capacity will be allocated to Prospective Users where there is insufficient capacity in the Pipeline to satisfy all Requests for Service.

Section 7: Extensions/Expansions Policy describes the manner in which extensions or expansions to the Pipeline and New Facilities Investment will be dealt with under this Access Arrangement.

Section 8: Capacity Management Policy specifies whether the Pipeline is a contract carriage pipeline or a market carriage pipeline for the purposes of the Access Code.

Section 9: Term and Review of the Access Arrangement sets out the Revisions Submission Date and the Revisions Commencement Date.

SCHEDULES:

- Schedule A:** Approved Tariff Arrangement including
Attachment A1 (Gas Specification)
Attachment A2 (Pipeline Surcharge Rate)
Attachment A3 (Definitions of terms used in Schedule A)
- Schedule B:** Definitions of Terms used in Access Arrangement
- Schedule C:** General Terms and Conditions applying to Reference Services in addition to those in Schedule A
- Schedule D:** Connection of facilities downstream of Delivery Point
- Schedule E:** Request for Access

2. SERVICES POLICY

The Service Provider's Service Policy for the Pipeline consists of a Reference Service and Negotiated Services as follows:

- *Reference Service* — non-interruptible transportation Service for gas delivered into the Pipeline by or on behalf of the User through any length of the Pipeline in the direction from Wallumbilla to Brisbane, including an Overrun Service.
- *Negotiated Services* — agreements negotiated to meet the needs of a User which differ from those in the Reference Service.

2.1. *Reference Service*

- The Reference Service for the Pipeline is described in the Tariff Arrangement approved by the Minister³. The approved Tariff Arrangement is set out in Schedule A.
- The Reference Service is offered for capacity up to the first 101TJ/Day of Contracted Capacity in the Pipeline.

2.2. *Negotiated Service*

- A Negotiated Service is offered for capacity from 101TJ/Day to 118.5TJ/Day; a Negotiated Service is offered for capacity above 118.5TJ/Day, subject to the Extensions/Expansions Policy.
- Where a Prospective User has specific needs which differ from those which would be satisfied by the Reference Service, the Prospective User may seek to negotiate different terms and conditions as a Negotiated Service.
- Should a dispute arise, it will be resolved in accordance with the dispute resolution procedures in the Gas Pipeline Access Law and the Access Code, unless the parties agree otherwise.

2.3. *Access and Requests for Services*

In order to obtain access to a Service, a Prospective User must observe the following procedures:

- A Prospective User must lodge a Request and meet the Prudential Requirements set out below. A Request must include as a minimum the level of detail envisaged by Schedule E.

³ See Introduction, page 1

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- A Prospective User may have only one active Request for the same tranche of capacity to a particular Delivery Point.
- The Service Provider will advise the Prospective User where a Request is incomplete. If the Prospective User corrects the deficiency within 7 Days, the priority of the Request will depend on the date on which Service Provider first received the Request. Otherwise, the priority will depend on the date on which the Service Provider receives the complete Request.
- The Service Provider will within the shortest reasonable time and in any event within 30 Days of receiving a complete Request advise whether capacity is available and at what price, and whether a queue exists for the capacity.
- A Request will lapse unless, within 30 Days of Service Provider advising that capacity is available, the Prospective User has either entered into an Access Agreement for a Reference Service or a Negotiated Service, or commenced bona fide negotiations⁴.
- Where there is sufficient capacity to meet a Request, there will be no queue.
- Where there is insufficient capacity to satisfy a Request, then a queue will be formed and the Queuing Policy (set out in Section 7) will apply.
- The “prudential requirements” applicable to Users and Prospective Users of the Pipeline are:
 - the Prospective User must be resident in, or have a permanent establishment in, Australia;
 - the Prospective User must not be under external administration as defined in the Corporations Law or under any similar form of administration in any other jurisdiction;
 - the Prospective User may be required to provide reasonable security in the form of a parent company guarantee or a bank guarantee or similar security. The nature and extent of the security will be determined having regard to the nature and extent of the obligations of the Prospective User under the Access Agreement.

⁴ A Request for Service will not lapse in the event of a dispute being notified under the Code until that dispute has been resolved in accordance with the Code.

3. TERMS AND CONDITIONS OF SERVICE

- The Service Provider will provide Services on the terms and conditions set out in its standard Access Agreement for the Service from time to time.
- The terms and conditions of Access Agreements will be consistent with this Access Arrangement including the approved Tariff Arrangement in Schedule A and Schedule C.
- The Service Provider will not discriminate between Prospective Users in the provision of Services on the basis of:
 - past transactions or relationships with any one or more of the owners of the Pipeline;
 - the identity of the Prospective User;
 - the fact that the Prospective User is a related party of any one or more of the owners of the Pipeline.

4. REFERENCE TARIFFS

- The Reference Tariff was established under the approved Tariff Arrangement.
- The Reference Tariff is described in Schedule A.
- Where the Term of an Access Agreement for a Reference Service extends beyond the Revisions Commencement Date, the tariffs payable under the Access Agreement will be the Reference Tariff then payable for a comparable Service, or as otherwise agreed.

5. REFERENCE TARIFF POLICY

- The Reference Tariff Policy was established under the approved Tariff Arrangement.
- The Reference Tariff Policy is described in section 1 of Schedule A.
- In addition to the matters in section 1 of Schedule A, the following provisions form part of the Reference Tariff Policy.
- The Service Provider may undertake New Facilities Investment that does not satisfy the requirements of section 8.16 of the Access Code and may include in the Capital Base that part of the New Facilities Investment which does satisfy section 8.16.
- An amount in respect of the balance after deducting the Recoverable Portion of New Facilities Investment may subsequently be added to the Capital Base if at any time the type and volume of Services attributable to the New Facility change such that any part of the Speculative Investment Fund would then satisfy the requirements of the Access Code for inclusion in the Capital Base.
- For the purposes of calculating the Capital Base at the commencement of the subsequent Access Arrangement Period, where the actual cost of New Facilities differs from the forecast New Facilities Investment on which the Capital Base was determined, the New Facilities Investment will be included at actual cost.
- With effect from the commencement of the next Access Arrangement Period, the Regulator may remove an amount from the Capital Base for the Pipeline so as to:
 - ensure that assets which cease to contribute in anyway to the delivery of Services are not reflected in the Capital Base; and
 - share costs associated with a decline in the volume of sale of Services provided by means of the Pipeline between the Service Provider and Users⁵.

⁵ This reflects the provisions of section 8.27 of the Code dealing with redundant capital.

6. TRADING POLICY

- A User may make a Bare Transfer without the consent of the Service Provider provided that prior to utilising it the transferee notifies the Service Provider of the portion of Contracted Capacity subject to the Bare Transfer and of the nature of the Contracted Capacity subject to the Bare Transfer.
- 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 the Service Provider, which will only be withheld on reasonable commercial or technical grounds, and which may be given subject to reasonable commercial or technical conditions.
- A User may only change the Receipt Point and/or Delivery Point specified in an Access Agreement with the prior consent of the Service Provider, which will only be withheld on reasonable commercial or technical grounds, and which may be given subject to reasonable commercial or technical conditions.

7. QUEUING POLICY

7.1. *Forming the Queue*

- Where there is insufficient capacity to satisfy a Request, a queue will be formed.
- A queue will include all relevant Requests which cannot be satisfied. Where an offer has been made in response to a Request received prior to formation of the queue, that Request will take first position in the queue.
- At the time a Request is placed in a new or existing queue, the Service Provider will advise the Prospective User of:
 - (a) its position on the queue;
 - (b) the aggregate capacity sought under Requests which are ahead on the queue;
 - (c) its estimate of when capacity may become available; and
 - (d) the size of any surcharge that may apply to Developable Capacity.
- When the position of a Request changes relative to other Requests which are ahead in the queue (such as where a Request ceases to be on the queue) or where the timing of availability of a new tranche of Developable Capacity changes, the Service Provider will provide revised information to the Prospective User.

7.2. *Conditions Applicable on Queue*

- A Prospective User may reduce but not increase the capacity sought in a Request which is in a queue.
- Once every three months, the Service Provider may seek confirmation from a Prospective User that it wishes to continue with its Request. If a Prospective User fails to respond within 14 Days the Request will lapse.
- A Prospective User will advise the Service Provider if it does not wish to proceed with a Request, which will then lapse.
- Any lapsed Request will be removed from the queue and priority will be lost.
- A Prospective User may only assign a Request on a queue to a bona fide purchaser of the Prospective User's business and/or assets, subject to the Service Provider's prudential requirements.
- A Request may lapse if, on assignment of a controlling interest in the shares of the Prospective User, the assignee fails to provide a guarantee as required by the Service Provider or to meet the Service Provider's prudential requirements.

7.3. Procedure when Capacity can be made available

- When capacity can be made available which meets the requirements of any Request in a queue:
 - that capacity will be progressively offered to each Prospective User in the queue in order of priority (notwithstanding that such capacity is not sufficient to meet the needs of that Prospective User);
 - the Service Provider will advise each of those Prospective Users of its plans to make capacity available, and the terms and conditions on which the capacity will be available.
- A Prospective User will have 30 Days after an offer is made to enter into an Access Agreement (conditional if necessary on the Service Provider entering into Access Agreements with other Prospective Users), failing which the Request will lapse or lose priority to those entering into such an Access Agreement (upon that Agreement becoming unconditional).

7.4. Priority of Prospective Users in Obtaining Services

- The priority date of a Request is the date a complete Request is received by the Service Provider.
- Where the Service Provider determines that two or more Requests relate to the same tranche of capacity for the same Delivery Point, all those Requests will have the priority date of the earliest Request.
- A Request for a Reference Service will have priority over a Request for a Negotiated Service.

7.5. General

- A Request will not lapse and will retain its priority in a queue in the event of a dispute being notified, until that dispute has been resolved in accordance with the Access Code.
- Where a queue exists a Prospective User must on request demonstrate to the Service Provider that the Prospective User will have access to a supply of gas at the time it is anticipated that the Prospective User will be offered access to the Service.

8. EXTENSIONS/EXPANSIONS POLICY

8.1. *Extension*

- In the event that the Service Provider undertakes a geographic extension to the Pipeline it will elect, after consultation with the Regulator, whether the extension forms part of the Pipeline for the purposes of this Access Arrangement.

8.2. *Expansion of Capacity from 101 to 118.5 TJ/Day*

- The Service Provider proposes to expand the capacity of the Pipeline to 118.5TJ/Day, subject to certain conditions including obtaining all necessary authorities and approvals for such expansion.
- Capacity from 101 to 118.5 TJ/Day will be offered as a Negotiated Service at a negotiated tariff.

8.3. *Expansion of Capacity Beyond 118.5 TJ/Day*

- In the event that the Service Provider expands the capacity of the Pipeline above 118.5 TJ/Day, the Service Provider will elect after consultation with the Regulator how to treat the expansion. For example, the Service Provider may elect:
 - that the expansion will not be treated as part of the Covered Pipeline; or
 - that the expansion will form part of the Pipeline and that Reference Tariffs will remain unchanged but a Surcharge will be levied on Incremental Users as permitted under the Access Code; or
 - that the Service Provider will submit revisions to this Access Arrangement pursuant to section 2.28 of the Access Code.

9. TERM AND REVIEW

9.1. *Commencement*

This Access Arrangement will commence on the date on which the approval by the Regulator takes effect under section 2 of the Access Code.

9.2. *Revisions Submission Date*

The Service Provider will submit revisions to this Access Arrangement on 31 January 2006, which is the Revisions Submission Date in the approved Tariff Arrangement.

9.3. *Revisions Commencement Date*

The revisions to this Access Arrangement will commence on the later of:

- 29 July 2006, which is the Revisions Commencement Date in the approved Tariff Arrangement; and
- the date on which the approval by the Regulator of the revisions to the Access Arrangement takes effect under the Access Code.

1. CAPACITY MANAGEMENT POLICY

For the purposes of section 3.7 of the Access Code, the Pipeline is a Contract Carriage Pipeline.

10. SCHEDULE A: TARIFF ARRANGEMENT APPROVED BY THE MINISTER

This document sets out the Reference Tariff and the Reference Tariff Policy for the Pipeline, and defines the Reference Service to which that Reference Tariff relates. It also defines the Revisions Submission Date and the Revisions Commencement Date for the purposes of the Access Arrangement under which the Reference Service is to be offered.

1. 1. REFERENCE TARIFF AND REFERENCE TARIFF POLICY

10.1. *Reference Tariff*

1.1.1. The Reference Tariff applies to the Reference Service defined in section 2 and consists of:

(a)

for each Month, a reservation charge equal to the Capacity Reservation Rate multiplied by the User's MDQ multiplied by 30.4375;

(b) a throughput charge equal to the Throughput Rate multiplied by the sum of the quantities of gas (in GJ) delivered to all Delivery Points for or on behalf of the User;

(c) authorised overrun charges, unauthorised overrun charges, daily variance charges and Imbalance charges in accordance with sections 1.2, 1.3. and 1.4;

(d) a charge for new taxes, duties or charges imposed by any government or other regulatory authority in accordance with section 1.5;

(e) costs of construction, operation and maintenance of additional Receipt Points or Delivery Points and for an increase in the existing Receipt Point MDQ or Delivery Point MDQ of existing Receipt Points or Delivery Points in accordance with Section 1.6; and

(f) for each Month, any Capacity Reservation Surcharge under 1.7.

1.1.2. The Service Provider and the User may agree to increases in the Capacity Reservation Rate, Surcharge Rate or the Throughput Rate in return for reductions in the Throughput Rate, the Capacity Reservation Rate or the Surcharge Rate, such that the total predicted charges under sub-section 1.1.1(a), (b) and (f), using the proposed Capacity Reservation Rate, Surcharge Rate and Throughput Rate, are not more than the total predicted charges using the Capacity Reservation Rate, Surcharge Rate and

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Throughput Rate contained in sub-section 1.1.1(a), (b) and (f) over the period of the Access Agreement when discounted to the first Year of the Access Agreement at the Commonwealth Bond 10 Year Indicator Rate plus 5 %.

1.1.3. The overrun, daily variance and imbalance charges are subject to the Service Provider providing the User with:

(a) sufficient and timely information, or where a User's capacity falls within that part of the nominal capacity of the Pipeline above 78.9TJ/Day and below 101TJ/Day, adequate time to install communication measures at the Users option to access sufficient and timely information; and

(b) adequate time to install control measures at the User's option;

which will allow the User to take practical measures to avoid incurring such charges.

10.2. Overrun Charges

1.1.1. For an Overrun Service authorised in advance by the Service Provider, the User shall pay an authorised overrun charge equal to the Overrun Quantity multiplied by the Authorised Overrun Rate.

1.1.2. For an Overrun Service not authorised in advance by the Service Provider, the User shall pay an unauthorised overrun charge equal to the Overrun Quantity multiplied by the Unauthorised Overrun Rate.

1.1.3. To the extent that the Service Provider solely caused the overrun without the prior approval of the User, the Service Provider shall not charge the User an Authorised Overrun charge or an Unauthorised Overrun charge.

10.3. Daily Variance Charge

For any Day in excess of:

(a) 4 Days in the Month; or

(b) 24 Days in the 12 Month period up to and including the Month;

in which a Daily Variance occurs, the Service Provider shall have the right to charge the User a Daily Variance Charge calculated by multiplying the Daily Variance Rate by the Daily Variance Quantity.

10.4. Imbalance Charge

(a) The Imbalance Charge for the purposes of section 2.2.9(f)(i) shall be the Imbalance Rate multiplied by the Imbalance existing at the end of that Month.

(b) The Imbalance Charge for the purposes of section 2.2.9(f)(ii) shall be an

Imbalance Charge based upon the then existing price of gas at the Receipt Point.

10.5. Government Taxes, Duties and Charges

If, after 1 January 1996, a government or other regulatory authority increases the licence fee payable for the Pipeline licence or imposes or applies a new tax, duty or charge on or to:

- (a) the Pipeline (or any of its components); or
- (b) the operation of the Pipeline; or
- (c) the provision of services by the Service Provider to the Users;

the Service Provider is entitled to recover from a User an amount being a portion of the amount of that increase in licence fee or that tax, duty or charge in proportion to the User's MDQ on the Day when the Service Provider sends an account to the User in respect of the amount divided by the total of all Users' MDQ for that Day.

"Tax" does not include income tax or capital gains tax within the meaning of the *Income Tax Assessment Act 1936*.

10.6. Charges in Respect of Delivery or Receipt Points

The Service Provider may recover from a User or group of Users (in the proportion agreed) the costs of:

- (a) constructing capital improvements for additional Receipt Points or Delivery Points or, for Receipt or Delivery Points operated by the owner of the Receipt or Delivery Point, constructing capital improvements for increases in the Receipt Point MDQ or Delivery Point MDQ or to comply with agreed metering, quality and related upgrading of existing Receipt Points or Delivery Points for the Pipeline specifically required to deliver gas to or receive gas from that User or group of Users, including the construction of Receipt Points, Delivery Points, regulation, metering and quality monitoring facilities; and
- (b) operating and maintaining the capital improvements referred to in sub-section (a)

provided that no charges for capital improvements and operating and maintenance costs may be recovered under (a) and (b) above where the improvements are for an increase in the capacity of the Pipeline.

10.7. Capacity Reservation Surcharge

Where the capacity sought by the User is provided from that part of the nominal capacity of the Pipeline above 78.9TJ/Day and below 101TJ/Day, the User shall pay a Capacity Reservation Surcharge.

10.8. Reference Tariff Escalation

The Capacity Reservation Rate, Throughput Rate, Surcharge Rate, Authorised Overrun Rate, Unauthorised Overrun Rate, Daily Variance Rate and Imbalance Rate will be adjusted from the date nominated in the definition of the relevant rate on each 1 January, 1 April, 1 July and 1 October in each year in accordance with the following formula:

$$\text{Revised Rate} = \text{Rate} \times \left[1 + 0.75 \times \frac{(\text{CPI}_q - \text{CPI}_{q-1})}{\text{CPI}_{q-1}} \right]$$

where

Rate = The Capacity Reservation Rate, Throughput Rate, Surcharge Rate, Authorised Overrun Rate, Unauthorised Overrun Rate, Daily Variance Rate and Imbalance Rate for the Quarter before the adjustment being made.

Revised Rate = The Capacity Reservation Rate, Throughput Rate, Surcharge Rate, Authorised Overrun Rate, Unauthorised Overrun Rate, Daily Variance Rate and Imbalance Rate to be applied from the date of the adjustment.

CPI_q = CPI for the Quarter immediately before the date of the adjustment.

CPI_{q-1} = CPI for the Quarter immediately before the Quarter referred to in CPI_q .

10.9. Payment Terms

The Service Provider will not impose any additional charges on Users where payments of tariffs and other charges legally imposed are made within 30 Days of the presentation of the invoices for such tariffs and charges.

11. SERVICES POLICY

11.1. Reference Service

The Reference Service to which the Reference Tariff described in section 1 relates is a non-interruptible gas transportation service for gas delivered into the Pipeline by or on behalf of the User through any length of the Pipeline in the direction from Wallumbilla to Brisbane through the Pipeline, including an Overrun Service. The Reference Service is provided at the Reference Tariff. The Reference Service includes the following services:

- (a) receipt of gas at the Receipt Points;

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- (b) transportation of gas to the Delivery Points, including use of compression facilities installed on the Pipeline;
- (c) delivery of gas at the Delivery Points;
- (d) provision of an Overrun Service;
- (e) for installations owned and operated by the Service Provider the measurement of gas quantity and quality;
- (f) for installations owned and operated by the Service Provider the measurement and control of gas pressures;
- (g) establishment and management of transportation accounts, preparation of invoices and collection of revenue for tariff purposes;
- (h) operation and maintenance of the Pipeline;
- (i) provision of business and customer support services required for the provision of the services listed above or required by the Access Arrangement.

11.2. Conditions of Service

11.2.1. General Conditions Relating to Gas

The Reference Service is subject to the following conditions:

- (a) Gas entering the Pipeline must conform to the specification set out in Attachment 1 (except to allow short term operational deviations). The specification may be varied and the operational deviations established from time to time by:
 - (i) agreement between the Minister, Service Provider and all Users; or
 - (ii) a determination by the Minister in accordance with a national agreement on gas quality for transmission by pipeline where the determination applies to all Service Providers; and
 - (iii) the Service Provider shall not include any additional limitations on the quality specification of gas to be received at a Receipt Point unless the Minister otherwise approves.
- (b) The Service Provider will carry out its obligations in a workmanlike and commercially reasonable manner in accordance with reasonable operating and management practices.
- (c) The Service Provider's obligation to transport gas shall consist of the receipt of gas at the receipt Points for a User's account and the delivery of a thermally equivalent quantity of gas at the Delivery Points net of any System User Gas and Line Pack adjustments as provided in this Access Arrangement.
- (d) The Service Provider shall be responsible for any gas lost from the Pipeline due to its negligence or willful default.

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- (e) The Service Provider shall have the right to co-mingle the gas received from the User with gas transported for other Users and to deliver different molecules.
- (f) If the Service Provider proposes to carry out any planned work which may affect the Service Provider's ability to make available for delivery quantities of gas nominated in accordance with this Access Arrangement, the Service Provider shall give the User not less than one Month's notice of the details of the planned work, and after consultation with the User, use all reasonable endeavours to carry out that work:
 - (i) so as to avoid or minimise so far as is reasonably practicable, any curtailment of transportation service to the User;
 - (ii) during a period which the Service Provider and the User agree is forecast to have low aggregate demand for gas; and
 - (iii) as quickly as possible and with as little disruption to the delivery of gas as is reasonably practicable.
- (g) When necessary to protect the operational integrity and safe operation of the Pipeline, or to comply with any applicable laws and regulations, the Service Provider shall, after giving as much notice to the Users as is reasonably practicable, be entitled to curtail deliveries of gas without incurring liability to the User to the extent necessary to carry out the required repairs and maintenance (other than planned repairs and maintenance as contemplated under section 2.2.1(f)).

11.2.2. System Use Gas

- (a) Subject to sub-section (b), the User shall supply System Use Gas at its cost unless the parties otherwise agree.
- (b) In any Month, Users may only be required to supply gas for use as System Use Gas up to the quantity determined by multiplying the total quantity of System Use Gas not supplied by other Users by the aggregate quantity of gas (in GJ) delivered for or on behalf of the User and divided by the aggregate quantity of gas (in GJ) delivered for or on behalf of all Users of the Reference Service.

11.2.3. Line Pack

- (a) The Service Provider shall provide a fixed quantity of gas to form part of the Line Pack.
- (b) The User shall supply at the Users Cost an additional proportion of the Line Pack not exceeding that quantity determined by multiplying the ratio of that User's MDQ to the total MDQ of all Users at the time that it is required to be supplied by the difference between the Line Pack determined by the Service Provider in accordance with section 2.2.3(c) and the fixed quantity of gas supplied by the Service Provider in accordance with 2.2.3(a).
- (c) A Service Provider shall from time to time determine as necessary the quantity of gas reasonably required for Line Pack.

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- (d) The Service Provider shall then advise its Users of the quantity of gas required to be supplied by them for Line Pack in accordance with section 2.2.3(b).
- (e) If the quantity of Line Pack supplied by a User at any time is less than 90 % of its share of Line Pack determined in accordance with subclause (b) and as a consequence is likely to jeopardise the ability of the Service Provider to deliver the quantities of gas required under these Access Principles, the Service Provider may issue a notice advising the User accordingly.

11.2.4. MDQ and Receipt Point and Delivery Point MDQ

- (a) The Service Provider and the User shall determine an MDQ that is to apply to each Day of the Year under the Access Agreement.
- (b) The Service Provider and the User shall establish Receipt Point MDQs and Delivery Point MDQs for the User.
- (c) Although the sum of the User's Receipt Point MDQs or the sum of the User's Delivery Point MDQs may exceed the User's MDQ, subject to section 2.2.5, the sum of all deliveries at all of the User's Delivery Points must not exceed the User's MDQ.
- (d) Subject to sub-section (b) and section 2.2.5, each User may vary receipts and deliveries between different Receipt Points or Delivery Points up to the Receipt Point MDQ or Delivery Point MDQ.

11.2.5. Adjustment in MDQ for Gross Heating Value

If on any Day, because of a reduction below 40MJ/m³ in the average Gross Heating Value of the gas presented by a User at all Receipt Points, the Service Provider is reasonably of the opinion that the aggregate quantities of gas to be delivered on behalf of all Users may exceed the capacity of the Pipeline:

- (a) the obligation of the Service Provider to deliver gas for or on behalf of the User for that Day is adjusted by using the following formula:

$$\text{Service Provider's obligation} = \text{MDQ} * [1 + 0.020 * (\text{AHV} - 40)]$$

- (b) the Throughput Rate for the User is adjusted for the Day using the following formula:

$$\text{Adjusted Throughput Rate} = \text{Throughput Rate} * [1 + 0.020 * (40 - \text{AHV})]$$

Where AHV = the average Gross Heating Value of gas in MJ/m³ received on the Day this formula is applied.

11.2.6. Receipts and Deliveries to be within MDQ

Subject to Section 2.2.7, a Service Provider shall not be obliged, during any Day:

- (a) to receive at all Receipt Points a quantity of gas, excluding System Use Gas and Line Pack Gas; or
- (b) to deliver at all Delivery points a quantity of gas;

greater than the MDQ for that Day.

11.2.7. Conditions of Overrun Service

The Service Provider shall provide an Overrun Service and shall authorise if requested in advance, but is not obliged to authorise or provide an Overrun Service where:

- (a) providing the service would cause it to curtail service for another User that is transporting within its MDQ; or
- (b) the Service Provider has authorised in advance an Overrun Service for quantities in excess of 5% of the User's MDQ for more than 12 Days in any 12 Month period, up to and including the current Month, or for more than 4 Days in the current Month.

Delivery of gas into the Pipeline by a User prior to the submission of a Nomination by that User shall be treated as an Overrun Service not authorised in advance by the Service Provider.

11.2.8. Nominations and Daily Variances

- (a) A User will make reasonable efforts to ensure that receipts and deliveries of gas are in accordance with its Nomination.
- (b) Subject to sub-Sections (c), (d) and (e) of this Section a Service Provider will change deliveries at specified Receipt Points and Delivery Points if requested by a User.
- (c) Where a User requests in advance an increase in the quantities of gas to be delivered from a Delivery Point, the User's Service Provider will increase the quantity of gas to be delivered from that Delivery Point for so long as:
 - (i) it does not impact on the receipt or delivery of gas for or on behalf of all other Users; and
 - (ii) the Line Pack supplied by the User does not fall below that Line Pack which the Service Provider reasonably determines is the minimum Line Pack required to be supplied by the User, during that Day, for the Pipeline.

For the purposes of this Section, the increased quantity of gas so delivered then becomes the User's Nomination for the Delivery Point for that Day.

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- (d) Where a User requests in advance a decrease in the quantity of gas to be delivered from a Delivery Point, the User's Service Provider will decrease the quantity of gas to be delivered from that Delivery Point for so long as:
- (i) it does not impact on the receipt or delivery of gas for or on behalf of all other Users; and
 - (ii) the Line Pack does not exceed that Line Pack which the Service Provider reasonably determines is the maximum Line Pack, on that Day, for the Pipeline.
- For the purposes of this Section, the decreased quantity of gas so delivered then becomes the User's Nomination for the Delivery Point for that Day.
- (e) If the Service Provider and the User agree in advance to change the quantity of gas to be received at a Receipt Point from the Nomination, then for the purposes of this section, the quantity of gas received at the Receipt Point then becomes the Nomination for the Receipt Point for that Day.
- (f) A Daily Variance occurs when the quantity of gas:
- (i) delivered at any Delivery Point during a Day is different from the Nomination for that Delivery Point; or
 - (ii) received at any Receipt Point during a Day is different from the Nomination for that Receipt Point;
- (excluding any portion of that variation that has been caused by the Service Provider) by more than 10% of the MDQ for the User at that Delivery Point or Receipt Point.
- (g) The Daily Variance Quantity on any Day on which a Daily Variance occurs is the greater of:
- (i) the sum, for all Delivery Points of the User, of the absolute differences between the Nomination and the actual quantity of gas delivered to each Delivery Point for the Day; or
 - (ii) the sum, for all Receipt Points of the User, of the absolute differences between the Nomination and the actual quantity of gas received at each Receipt Point for the Day.

11.2.9. Gas Balancing

- (a) Each User will be responsible to control and, if necessary, adjust the Nomination, receipts and deliveries of gas to maintain a balance between the User's receipts (net of System Use Gas and Line Pack Gas) and deliveries.
- (b) Each User shall coordinate with the Service Provider any adjustment to receipts and deliveries by a User.
- (c) Based on the best information available, a User and the Service Provider will cooperate in good faith to minimise any Imbalance and to eliminate any Imbalance that does occur as soon as possible, taking into consideration the

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reasonable time required by any entities delivering gas to, or receiving gas from, the Service Provider.

- (d) If an Imbalance exists at the end of a Month, then (subject to the obligation of the Service Provider and the User under sub-section (c) to co-operate in good faith to minimise or eliminate any such Imbalance) the User will correct a continuing Imbalance during the subsequent Month by making adjustments in Nomination, receipts and/or deliveries.
- (e) If a User fails to take corrective action under sub-section (d), the Service Provider may adjust the User's receipts and deliveries contained in the Nomination over that subsequent Month to correct that continuing Imbalance.
- (f) If an Imbalance still remains at the end of the subsequent Month, the Service Provider may:
 - (i) charge the User an Imbalance Charge under section 1.4(a)
 - (ii) in the case of an Imbalance shortfall, require the User to correct any such Imbalance in accordance with section 1.4(b).
- (g) If the Service Provider acts pursuant to sub-section (f)(ii) in relation to an Imbalance, the gas for which payment is made is treated as gas supplied by the User at a Receipt Point.
- (h) The Service Provider will not be entitled to act under sub-section (f) in respect of any Imbalance that has been corrected during a Month notwithstanding that a further Imbalance has subsequently arisen by the end of that Month.
- (i) Notwithstanding the other provisions of this section, the Service Provider and User acknowledge that despite their reasonable efforts minor Imbalances will occur as a result of the inability to precisely match Nomination and quantities received and delivered. A Service Provider shall not be entitled to make any charges pursuant to sub-section (f) as a result of the minor Imbalance.

11.2.10. Gas Pressure

- (a) Subject to Section 1.6, the Service Provider shall supply gas at any Delivery Point, at a pressure nominated by the User which shall not be less than 1500kPa(g) unless the parties agree on a lower pressure.
- (b) Where the capacity utilised by the User is provided from that part of the nominal capacity of the Pipeline above 78.9TJ/Day and below 101 TJ/Day, the pressure referred to in sub-section (a) shall not exceed a stated maximum pressure. The stated maximum pressure shall be determined by the Service Provider and shall be no less than that pressure which will always be available in the Pipeline at that Delivery Point from time to time under anticipated operating conditions. A User shall not be able to nominate a pressure for an existing Delivery Point that is different from the pressure existing at the Delivery Point prior to the nomination unless the Users receiving gas at the Delivery Point agree.

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- (c) The User will deliver gas at a Receipt Point at pressures, nominated by the Service Provider from time to time as, being sufficient to allow the gas to enter the Pipeline but the User shall not be required to deliver gas at a Receipt Point at pressures in excess of 8000 kPa(g).

11.2.11. Ownership of Gas

- (a) Ownership of all gas supplied by or on account of a facility user, between each Delivery Point and each Receipt Point will remain the property of the User.
- (b) The Service Provider will be responsible for custody of Gas in the Pipeline.
- (c) On the termination of the Access Agreement, the User is entitled to recover gas, or an amount equal to the then existing market price of the gas, supplied by the User, including that portion of Line Pack supplied by the User, and not delivered to a Delivery Point to or for the account of the User.

11.2.12. Metering and Records

- (a) Where metering equipment and records are to be used under an Access Agreement in determining:
 - (i) any amounts payable by the facility user; or
 - (ii) System Use Gas;

the Service Provider will allow the User, or cause the User to be allowed, to inspect and audit the metering equipment and records:

- (i) at least once each Year during the term of the Access Agreement; and
- (ii) at least once within 12 Months after the termination of the Access Agreement.

Each party must bear its own costs of any such inspection or audit.

12. GENERAL

- 3.1 For so long as the Service Provider's Service Policy consists of the Reference Service described herein, and the Reference Tariff described herein continues to apply to that Reference Service, the Service Provider shall not be required to prepare an Access Arrangement Information in connection with the Access Arrangement under which the Reference Service and Reference Tariff are offered.
- 3.2 For the purposes of the Access Arrangement under which the Reference Service and Reference Tariff described herein are to be offered, the Revisions Submission Date by which the Service will submit revisions to that Access Arrangement is 31st January 2006, with a view to those revisions commencing on 29th July 2006 ("the Revisions Commencement Date").

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- 3.3 For regulatory purposes, the Residual Values for capital expenditure incurred to increase capacity from 78.9TJ/Day to 101TJ/Day under the Access Arrangement under which the Reference Service and Reference Tariff described herein are to be offered shall comprise as at June 2006:
- (a) for looping and compression expenditure - \$24 million; and
 - (b) for stay in business capital expenditure - \$450,000.
- 3.1 The Reference Tariff, Reference Tariff Policy, Reference Service, Revisions Submission Date, and Revisions Commencement Date referred to herein are not subject to approval by the Relevant Regulator or to public consultation under the Access Code.
- 3.2 The Relevant Regulator cannot require the Service Provider to include in its Information Package in relation to the Pipeline, any information which, except for the provisions of Section 3.1, would be included in an Access Arrangement Information.

SCHEDULE A: ATTACHMENT A1

GAS SPECIFICATION

The specifications are that the gas:

- (a) shall contain not more than 0.2 per cent by volume of oxygen;
- (b) shall contain not more than 50 milligrams per cubic metre of total sulphur;
- (c) shall contain not more than 7 milligrams per cubic metre of hydrogen sulphide;
- (d) shall contain not more than 15 milligrams per cubic metre of mercaptans;
- (e) shall have a hydrocarbon dew point not more than 10 degrees Celsius between the pressures of 1000 kPa(g) and 10000 kPa(g);
- (f) shall contain not more than 65 milligrams per cubic metre of water vapour;
- (g) shall contain not more than 3 per cent by volume of carbon dioxide;
- (h) shall contain not more than 6 per cent by volume of inert gases;
- (i) if it contains more than 4.0 per cent by volume of inerts, then the gas shall have a Gross Heating Value of not less than 37.9 MJ per cubic metre of gas and not more than 42.3 MJ per cubic metre of gas on a dry basis and if the gas contains less than or equal to 4.0 per cent by volume of inerts, then the gas shall have a Gross Heating Value of not less than 35 MJ per cubic metre of gas and not more than 43 MJ per cubic metre of gas;
- (j) shall have a Wobbe Index not less than 47 MJ per cubic metre and not more than 52 MJ per cubic metre;
- (k) shall be reasonably free from dust, gums, gum forming constituents or other liquid or solid matter which might cause injury to, or interference with, proper operation of pipeline regulators, meters or other appliances through which it flows or which may interfere with the commercial utilisation of the gas; and
- (l) shall have a temperature of not less than 0 degrees Celsius and not more than 50 degrees Celsius.

SCHEDULE A: ATTACHMENT A2

Roma to Brisbane Pipeline Surcharge Rate (\$/GJ MDQ)

Capacity from 78.9 TJ/Day to 101 TJ/Day

Rate at 1st January 1997 adjusted pursuant to Section 1.8.

Load Factor	Surcharge Rate
<1.6	0.36
1.6 to 2.0	0.42
>2.0	0.46

SCHEDULE A: ATTACHMENT A3 DEFINITIONS

For the purposes of this Schedule A, the following words have the meanings given to them:

“Access” to the Pipeline means the right to a gas transportation service provided by the Pipeline and includes the right to have the Pipeline connected to another facility.

“Access Code” means the National Third Party Access Code for Natural Gas Pipelines established under the Gas Pipelines Access Law.

“Access Agreement” means a written agreement between the Service Provider and a User for Access to the Pipeline

“Act” means Gas Pipelines Access Law (Qld).

“Authorised Overrun Rate” means in any Quarter, that rate obtained by adjusting \$0.264/GJ at 1 July 1994 pursuant to Section 1.8.

“Capacity Reservation Rate” means in any Quarter, that rate obtained by adjusting \$0.22/GJ at 1 July 1994 pursuant to Section 1.8.

“Capacity Reservation Surcharge” means for each Month an amount equal to the Surcharge Rate multiplied by the User’s MDQ multiplied by 30.4375.

“CPI” means the Consumer Price Index (All Groups Weighted Average of 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.

“Cubic Metre” in relation to gas, means the amount of that gas at Standard Conditions which would occupy a volume of one cubic metre.

“Daily Variance” means the variance defined in section 2.2.8(f)

“Daily Variance Quantity” means the quantity calculated in the manner set out in section 2.2.8(g).

“Daily Variance Rate” means in any Quarter, that rate obtained by adjusting \$0.252/GJ at 1 July 1994 pursuant to Section 1.8.

“Day” means a period of 24 consecutive hours beginning at 8.00am Australian Eastern Standard Time.

“Delivery Point” means a point on the Pipeline at which gas is delivered from the Pipeline to or for the account of the User.

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"Delivery Point MDQ" means the maximum quantity of gas (in GJ) which the Service Provider is obligated to deliver during any Day at the Delivery Point.

"GJ" means gigajoules of gas.

"Gross Heating Value" means the number of megajoules liberated when one Cubic Metre of gas, free of water and at Standard Conditions, is completely burnt in air, with all water formed by the combustion process condensed to the liquid state and with all the products of combustion at Standard Conditions.

"Imbalance" exists if there is a difference between the quantities of gas received by the Service Provider at Receipt Points for a User's account (excluding System Use Gas and Line Pack Gas) and the quantities of gas delivered to or for the account of the User at the Delivery Points.

"Imbalance Rate" means in any Quarter, that rate obtained by adjusting \$0.566/GJ at 1 July 1994 pursuant to Section 1.8.

"Line Pack" means the total quantity of gas in the Pipeline from time to time.

"Line Pack Gas" means the gas provided by the User under section 2.2.3.

"Load Factor" means the User's MDQ in any Month under the Access Agreement divided by the User's average daily total Nomination for that Month.

"MDQ" means a maximum daily quantity of gas (in GJ) which a Service Provider is obliged to deliver during any Day.

"Minister" means the Minister who from time to time has responsibility for gas safety and technical matters for the State of Queensland.

"MJ" means megajoules of gas.

"Month" means calendar month.

"Nomination" means a schedule provided by the User to the Service Provider showing, for each Day of a Month:

- (a) the quantities of gas (in GJ) intended to be presented at each Receipt Point by or on behalf of the User; and
- (b) the quantities of gas (in GJ) required to be delivered at each Delivery Point to or for the account of the User.

"Overrun Quantity" means a quantity of gas (greater than 0) that is the greater of:

- (a) if the total quantity of gas (in GJ) (excluding any System Use Gas and Line Pack Gas) received by the Service Provider from or on account of a User at all Receipt Points during any Day exceeds the MDQ for that Day - the excess; and

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- (b) if the total quantity of gas (in GJ) delivered by the Service Provider to or for the account of a User at all Delivery Points during any Day exceeds the MDQ for that Day - the excess; and
- (c) if the quantity of gas (in GJ) received during any Day by the Service Provider from or on account of a User at the Receipt Point (less System Use Gas and Line Pack Gas) is in excess of the Receipt Point MDQ for that Day - the sum of the excess for all such Receipt Points.
- (d) if the quantity of gas (in GJ) delivered during any Day by the Service Provider to or for the account of a User at the Delivery Point is in excess of the Delivery Point MDQ for that Day - the sum of the excess for all such Delivery Points.

"Overrun Service" is the receipt and/or delivery of an Overrun Quantity.

"Pipeline" means the pipeline known as the Roma to Brisbane pipeline constructed and operated under Queensland Pipeline Licence No 2 dated 21 December 1967 (as amended) together with any extension, expansion or additional facilities installed to increase the nominal capacity of the pipeline to 101 TJ/Day.

"Prospective User" means any person who seeks access to the Pipeline.

"Quarter" means any period of 3 consecutive Months starting on 1 January, 1 April, 1 July or 1 October in each Year

"Receipt Point" means a point at which gas is received, into the Pipeline, from or on account of a User.

"Receipt Point MDQ" means the Maximum Quantity of gas (in GJ) which the Service Provider is obligated to receive during any Day at the Receipt Point.

"Reference Service" means the Service referred to in section 2.

"Reference Tariff" means the tariffs and charges set out in section 1.

"Service Provider" means AGL Petroleum Pipelines Limited ACN 009 737 393 [known since 13 June 2000 as APT Petroleum Pipelines Limited] and Interstate Pipelines Pty Limited ACN 004 335 013 or the person who is, from time to time, the owner or operator of the whole or any part of the Pipeline.

"Standard Conditions" means at a temperature of 15 degrees Celsius and at an absolute pressure of 101.325kPa.

"Surcharge Rate" means in any Quarter, a rate determined from Attachment 2 at 1 January 1997 and adjusted pursuant to Section 1.8.

"System Use Gas" means the quantities of gas necessary for the efficient operation of the Pipeline, including gas used as fuel for compressors or other equipment, and

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quantities otherwise lost and unaccounted for in connection with the operation of the Pipeline but excludes:

- (a) Line Pack, and
- (b) Quantities of gas lost as a result of repairs or maintenance carried out on the Pipeline by the Service Provider.

"Throughput Rate" means in any Quarter, that rate obtained by adjusting \$0.126/GJ at 1 July 1994 pursuant to Sections 1.8 and 2.2.5.

"TJ" means terajoules of gas.

"Unauthorised Overrun Rate" means in any Quarter, that rate obtained by adjusting \$0.654/GJ at 1 July 1994 pursuant to Section 1.8

"User" means a user who enters into an Access Agreement with the Service Provider

"Year" means a period of 365 consecutive Days but, for any Year which contains a date of 29 February, means 366 consecutive Days.

Interpretation

Any term used herein which is not defined in this attachment 3, but which is defined in the Act, shall have the meaning assigned to it in the Act. In all other respects, terms used herein, if not defined above, have the meanings assigned to them in the Access Code.

13. SCHEDULE B: DEFINITIONS IN ADDITION TO THOSE IN APPROVED TARIFF ARRANGEMENT

Terms used in this Access Arrangement (including Schedule 1) which are defined in the Access Code have the meaning given to those terms in the Access Code as at the date of commencement of this Access Arrangement. In addition, many terms used in this Access Arrangement are defined in Schedule 1 Attachment A3.

“**Act**” means Gas Pipelines Access (Queensland) Act 1998

“**Annual Contract Quantity**” or “**ACQ**” means the quantity agreed between Service Provider and the User as the maximum quantity of gas which Service Provider agrees to receive, transport and deliver each Contract Year

“**Access Code**” means the National Third Party Access Code for Natural Gas Pipelines established under the Gas Pipelines Access Law.

“**Contract Year**” means the period of a Year commencing on the first Day of the Term for a Delivery Point which shall in turn be the first Day of a Month, or on the anniversary of the first Day.

“**Delivery Station**” means those facilities installed at a Delivery Point to enable delivery of gas from the Pipeline including a tapping point, remote shutoff valve, SCADA and other communications facilities, and associated power supply.

“**Delivery Point MDQ**” has the meaning given to it in Schedule A Attachment A3. Where gas is to be delivered to only one Delivery Point under an Access Agreement, the User’s MDQ will be taken to be the Delivery Point MDQ.

“**Force Majeure**” means any event or circumstance not within the control of a party to an Access Agreement and which by the exercise of due diligence that party is not reasonably able to prevent or overcome.

“**Gas Pipelines Access Law**” has the meaning given to it in the Act

“**Hour**” means any period of 60 consecutive minutes.

“**Maximum Hourly Quantity**” or “**MHQ**” means the maximum quantity of gas (in GJ) which Service Provider is obliged to transport and deliver to a particular Delivery Point for or on behalf of the User on any Hour (excluding Overruns).

“**Metering Facilities**” means facilities to measure quantities and monitor quality of gas being received or delivered which facilities may include filters, metering system and associated instrumentation, shutoff valves, links to SCADA and other communications facilities, and power supplies.

“**Negotiated Service**” means a Service for the transportation of gas on terms and conditions different to those of a Reference Service.

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“Receipt Point” means any location at which the Service Provider takes custody of gas into the Pipeline

“Receipt Station” means those facilities installed at a Receipt Point to enable receipt of gas from a User into the Pipeline, including a tapping point, a remote shutoff valve, SCADA and other communications facilities and associated power supply.

“Receipt Point MDQ” means the MDQ for that Receipt Point.

“Regulator” means the Australian Competition and Consumer Commission or the Relevant Regulator under the Gas Pipelines Access Law.

“Request” means a Request for Service..

“Service” means a Service provided by Service Provider in relation to the Pipeline including but not limited to Reference Services.

“Tariff Arrangement” mean the Tariff Arrangement for the Pipeline approved by the Minister on 9 June 2000, and set out in Schedule A to this Access Arrangement.

“Term” means the period specified in the Services Agreement for a Delivery Point.

“User’s Delivery Point” means a Delivery Point to which Service Provider is obliged to transport and deliver gas to or on account of the User.

“User’s MDQ” means the maximum quantity of gas which Service Provider is obliged to receive on behalf of the User (net of System Use Gas and the User’s share of Users’ Linepack) and to transport and deliver to all of the User’s Delivery Point(s) on behalf of the User on any Day (excluding Overruns). Where gas is to be delivered to only one Delivery Point under an Access Agreement, the User’s MDQ will be taken to be the Delivery Point MDQ.

“Year” means a period of 365 consecutive Days but, for any Year which contains a date of 29 February, means 366 consecutive Days.

14. SCHEDULE C: TERMS AND CONDITIONS APPLYING TO ALL REFERENCE SERVICES

1. PART 1 – GENERAL

Relationship of between Service Provider and User

1. The Service Provider will be entitled to require a User to:
 - (a) provide security for the performance of its obligations under an Access Agreement. Such security may be of such type and such extent as Service Provider reasonably determines;
 - (b) pay all amounts owing under an Access Agreement to continue to receive Services under that Services Agreement; and
 - (c) demonstrate its ability to meet all financial obligations under an Access Agreement.
1. The Service Provider and Users will perform their obligations under Access Agreements, and conduct their relations with each other, in good faith and in a commercially reasonable manner, and in accordance with reasonable operating and management practices.

Obligation to Transport

2. The Service Provider's obligation to transport gas will consist of the receipt of gas at the User's Receipt Points and the delivery of a thermally equivalent quantity of gas at the User's Delivery Points, net of any System Use Gas and the User's share of Users' Linepack.
3. Custody of gas will transfer from the Service Provider to the User at the downstream flange of the Delivery Station.

Metering

4. Withdrawals at Delivery Points will be metered. Where facilities exist, quantities passing through the meter each Day will be recorded and telemetered to the Service Provider's premises daily and will be accessible by the Service Provider, the User, and other persons as permitted by the User.
5. If Metering Facilities fail to operate, the quantity of gas withdrawn will be determined by agreement, or failing agreement by successively using a check meter, calculating the percentage error through calibration tests or mathematical calculation and varying the quantity by one half of the error, or by a deeming method.

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6. Subject to Attachment A1 in Schedule A, the quantity of gas delivered at the Delivery Point will be the product of the volume and the average of the heating value declared or measured for the Pipeline for that Day.

Allocation

7. Where gas is delivered to a Delivery Point for more than one User, those Users must establish allocation methodologies and notification processes reasonably acceptable to the Service Provider, and must provide sufficient information to Service Provider to enable it to reconcile between Users the quantities of gas received and delivered. If no such methodologies or processes are established, Service Provider will be entitled to adopt a reasonable methodology such as a pro-rating based on nominations.
8. Where a Receipt Point is used by more than one User, those Users must establish allocation methodologies reasonably acceptable to the Service Provider, and must provide sufficient information to the Service Provider to enable it to reconcile between Users the quantities of gas received and delivered. If no such methodologies are established, the Service Provider will be entitled to adopt a reasonable methodology such as a pro-rating based on nominations.

Accounts and Payments

9. The Service Provider will render monthly accounts.
10. The Service Provider may charge interest on amounts which are not paid within 30 Days of the date of the account.

Force Majeure

11. Where an event of Force Majeure affects or prevents a party's performance under an Access Agreement, the non-performance will not be a breach of the Access Agreement but the party affected by the Force Majeure must use reasonable endeavours to put itself in a position to perform its obligations.
12. An event of Force Majeure will not relieve a party from its obligations under an Access Agreement after the expiry of a reasonable period of time within which the Force Majeure could have been remedied or overcome had reasonable endeavours been exercised by the party affected.
13. An event of Force Majeure will not relieve a party from any obligations under an Access Agreement unless promptly after becoming aware of the Force Majeure the party affected gives written notice to the other party.
14. If an event of Force Majeure continues to prevent a party from performing its obligations under the Access Agreement for a Year the parties shall consult in good faith to resolve the Force Majeure. If they are unable to agree, either party may terminate the Access Agreement. Both parties will be relieved of any future obligations but not relieved of obligations arising prior to termination.

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15. Where there is a charge based on MDQ, and the Service Provider is unable to perform its obligations under the Access Agreement due to an event of Force Majeure the charge will be based on the highest quantity of gas (up to the MDQ) available to be withdrawn during that period rather than MDQ.

Liabilities and Indemnities

16. Each party will be responsible and liable for the maintenance and operation of its properties and facilities under an Access Agreement, and indemnifies the others for any claim or action in respect of or arising out of them.

17. Each party indemnifies the other in respect of any inaccuracy of representation, warranty or covenant made by it or failure to perform or satisfy any of the provisions of the Access Agreement.

18. Liability will be limited to actual damages and in particular will not extend to consequential or indirect loss, except for:

- (a) delivery of non-Specification Gas to a Receipt Point,
- (b) delivery of non-Specification gas due to the negligence or wilful default of the Service Provider, or
- (c) failure by the User to cease delivery or taking of gas as required under the Access Agreement.

Interruptions and Curtailments

1. Where Services are to be curtailed due to an event of Force Majeure or under Attachment A2, those Services will be curtailed or interrupted downstream of the location of the affected part of the Pipeline and will be curtailed or interrupted proportionately according to the User's Nominations for the first Day and MDQ thereafter, or as otherwise agreed with all Users.

Title to and responsibility for Gas

- 2. The User will warrant that it has title to gas delivered at the Receipt Point.
- 3. The Service Provider will be responsible for any gas lost from the Pipeline due to its negligence or wilful default.
- 4. On the termination of an Access Agreement, the User will be entitled to:
 - (a) recover a quantity of gas equivalent to any quantity delivered by or on behalf of the User into the Pipeline (net of System Use Gas) and not delivered to or for the account of the User; or
 - (b) sell the gas to another User and advise the Service Provider of the quantity and identity of that User.

Should the User fail to comply with either (a) or (b) within 3 months of

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termination, title in the gas passes to the Service Provider to be used for operational purposes on the Pipeline.

Metering and Records

1. The User will be allowed to inspect and audit metering equipment owned by the Service Provider used in determining amounts payable by the User at least once each Contract Year. Each party must bear its own costs of any such inspection or audit.
2. An independent auditor appointed by the User will be allowed to inspect and audit records used in determining amounts payable by the User:
 - (a) at least once each Contract Year; and
 - (b) at least once within 12 Months after termination of an Access Agreement.

Each party must bear its own costs of any such inspection or audit.

Gas Quality

1. The Service Provider may direct the User to cease the delivery of gas which does not meet the Specification, or may refuse to accept such gas and give notice to the User accordingly.

Pressure

2. For all Users who contract for capacity where the Contract Capacity of the Pipeline exceeds 101 TJ/Day, the User will deliver gas at a Receipt Point at a pressure of 9,600 kPa(g), or such other pressure as the User and the Service Provider agree from time to time.

Part Periods

3. Where a charge or fee is specified or determined by reference to a particular period but the period in respect of which the charge is or may be actually applicable is less than the particular period, the charge or fee will be pro-rated to reflect the actual period.

Schedule D: CONNECTION OF METERING FACILITIES TO THE PIPELINE

A Prospective User may, provided it has the relevant authorisations, and subject to the conditions set out below, construct and operate its own Metering Facilities downstream from a Delivery Station at any agreed location along the Pipeline.

14.1. Delivery Station

The following requirements apply in order to ensure that the integrity, safety and operability of Service Provider's system is not compromised:

- (a) the location of the Delivery Station and Metering Facilities will be agreed to by the Prospective User and the Service Provider. The Service Provider will only withhold its agreement to a location sought by a Prospective User on the basis of technical, operational or safety considerations.
- (b) the Service Provider will construct the Delivery Station at the User's expense. The construction of the Delivery Station will be performed to Service Provider's usual standards and requirements including AS2885-1997.

14.2. Metering Facilities

In order to ensure that the integrity, safety and operability of the Service Provider's system is not compromised, the Metering Facilities will be installed adjacent to and downstream of the Delivery Station in accordance with specifications reasonably approved by the Service Provider.

14.3. Cathodic Protection of Metering Facilities

The Prospective User will design, install, and operate, any cathodic protection system required to protect its facilities. Such cathodic protection system must be installed in such a manner as to avoid any interference which may be detrimental to the Service Provider's facilities and must be electrically isolated from the Service Provider's facilities.

14.4. Curtailment and Interruptions

The Prospective User will be subject to load reduction arrangements as set out in Part 1 of Schedule 2. The Prospective User must have facilities available to it to reduce or discontinue the withdrawal of gas if called upon to do so.

14.5. *Installation and Operation*

In the interests of safety and ensuring the integrity of Service Provider's facilities, a person who plans to connect gas transportation facilities in the vicinity of those owned by the Service Provider, will cooperate with the Service Provider to establish, in a timely manner, appropriate arrangements and procedures for the safe installation and operation of that person's facilities, and for the management of emergency situations involving the Service Provider's or that person's facilities.

14.6. *Approvals and Indemnity*

Any person responsible for facilities connected to the Pipeline will provide the Service Provider with evidence that it has fulfilled all applicable statutory requirements and that it holds all necessary permits and licences in relation to its facilities downstream of the Delivery Point. That evidence must be provided before the commencement of any Service to the Delivery Point.

That person will also indemnify the Service Provider against any claim of liability in relation to or arising out of those facilities.

Schedule E: Form of Request for Service

1. PROSPECTIVE USER DETAIL:

Name of Prospective User :
ACN:
Contact Officer:
Title:
Address:
.....
.....
Telephone:
Fax:
Service Requested:

If requested service is not a Reference Service, then what conditions, different from those available under a Reference Service, are sought, and what are the special circumstances or conditions which give rise to that need?

.....
.....
.....
.....

Date for Commencement of Service:
Duration of Access Agreement sought:

2. RECEIPT POINT INFORMATION:

Receipt Point Location:
Entity Responsible for Delivery of Gas to:
Receipt Point
(if other than the Prospective User)
ACN:
Contact Officer:
Title:
Address:
.....
.....
Telephone:
Fax:

3. DELIVERY POINT INFORMATION:

Delivery Point Location:
Entity Controlling Withdrawal of
Gas at Delivery Point:
(if other than the Prospective User)
ACN:
Contact Officer:
Title:
Address:
.....
.....
.....
Telephone:
Fax:

4. TRANSPORTATION INFORMATION:

Annual Quantity – ACQ(GJ):
Maximum Daily Quantity - MDQ (GJ):
Maximum Hourly Quantity - MHQ (GJ):

Transportation Patterns:
(graphically if possible, to assist with the assessment of the request)
Typical Daily Profile
Typical Weekly Profile
Typical Annual Profile
Examples of Atypical Profiles

Is the Service being sought to serve a new load or an existing load on the Pipeline?