



**Draft National Gas Amendment (Regulation of covered pipelines)
Rule 2019 No. ##**

under the National Gas Law to the extent applied by:

- (a) the National Gas (South Australia) Act 2008 of South Australia;
- (b) the National Gas (ACT) Act 2008 of the Australian Capital Territory;
- (c) the National Gas (New South Wales) Act 2008 of New South Wales;
- (d) the National Gas (Queensland) Act 2008 of Queensland;
- (e) the National Gas (Tasmania) Act 2008 of Tasmania;
- (f) the National Gas (Victoria) Act 2008 of Victoria;
- (g) the National Gas (Northern Territory) Act 2008 of Northern Territory;
- (h) the National Gas Access (WA) Act of Western Australia; and
- (i) the Australian Energy Market Act 2004 of the Commonwealth.

The Australian Energy Market Commission makes the following Rule under the National Gas Law.

John Pierce
Chairman
Australian Energy Market Commission

Draft National Gas Amendment (Regulation of covered pipelines) Rule 2019 No. ##

1 Title of Rule

This Rule is the Draft *National Gas Amendment (Regulation of covered pipelines) Rule 2019 No. ##*.

2 Commencement

Schedules 1 and 5 of this Rule commence operation on [DATE RULE IS MADE].

Schedule 2 of this Rule commences operation on [DATE 4 MONTHS AFTER RULE IS MADE].

Schedule 3 of this Rule commences operation on [DATE 1 MONTH AFTER RULE IS MADE].

Schedule 4 of this Rule commences operation on [DATE 3 MONTHS AFTER RULE IS MADE].

3 Amendment of the National Gas Rules

The National Gas Rules are amended as set out in Schedule 1.

4 Amendment of the National Gas Rules

The National Gas Rules are amended as set out in Schedule 2.

5 Amendment of the National Gas Rules

The National Gas Rules are amended as set out in Schedule 2.

6 Amendment of the National Gas Rules

The National Gas Rules are amended as set out in Schedule 2.

7 Savings and Transitional Amendments to the National Gas Rules

The National Gas Rules are amended as set out in Schedule 5.

Schedule 1 Amendment to the National Gas Rules

(Clause 3)

[1] Rule 3 Interpretation

In rule 3, delete paragraph (d) under "*access arrangement period*".

[2] Rule 3 Interpretation

In rule 3, renumber remaining paragraphs (e) and (f) to be (d) and (e).

[3] Rule 3 Interpretation

In paragraph (e) of rule 3, omit "the commencement", and substitute "revision commencement date".

[4] Rule 3 Interpretation

Insert the following definitions in rule 3 in alphabetical order:

reference service factors means the criteria set out in rule 47A(15).

reference service proposal means, in respect of a service provider for a *full regulation pipeline*, the proposal submitted under rule 47A.

[5] Rule 13 Absolute time limit for full access arrangement proposal

Omit rule 13 and substituted "[Deleted]".

[6] Part 7 Light regulation determinations

In the title of Part 7, insert "and information requirements" after "determinations".

[7] Division 2 of Part 7 Revocation of light regulation determinations

In Part 7, renumber Division 2 as Division 3.

[8] New Division 2 of Part 7 Provision of information by light regulation pipelines

After rule 35, insert:

Division 2 Provision of information by light regulation pipelines

35A Definitions and interpretation

(1) In this Division:

access information standard is defined in rule 36A.

application date means:

- (a) in relation to a pipeline that is a *light regulation pipeline* on the commencement date – the date falling 3 months after the commencement date;
- (b) in relation to a pipeline that becomes a *light regulation pipeline* within 3 months after the commencement date – the date falling 3 months after the commencement date; and
- (c) in relation to any other pipeline, the later of:
 - (i) the date the pipeline is commissioned; and
 - (ii) the date the pipeline becomes a *light regulation pipeline*.

Note:

Section 12 of the NGL defines when a pipeline is commissioned.

business day means a day that is not a Saturday, Sunday or public holiday in any participating jurisdiction or in relation to a pipeline in Western Australia, that jurisdiction alone.

commencement date means [DATE RULE IS MADE].

daily flow data means, for a large distribution pipeline:

- (a) the quantity of natural gas that is metered as having been, or estimated in good faith by the pipeline operator to have been, injected at each receipt point on the pipeline on a gas day; and
- (b) the quantity of natural gas that is metered as having been, or estimated in good faith by the pipeline operator to have been, withdrawn at each delivery point on the pipeline on the gas day.

financial information means the information required to be published under rule 36D.

financial reporting guidelines means the guidelines published by the AER under rule 36F as amended from time to time.

flow rate means the rate at which gas flows past a point on a pipeline in an hour, expressed in GJ/hour.

information includes data.

large distribution pipeline means a distribution pipeline or part of a distribution pipeline that has a maximum daily capacity under normal operating conditions of >10TJ/day and a maximum pressure capability under normal operating conditions of >4MPa.

meter means a device that measures and records quantities of gas by reference to volume, mass or energy content.

pipeline information is defined in rule 36C(2).

pipeline service information is defined in rule 36C(3).

service and access information is defined in rule 36C.

service availability information is defined in rule 36C(5).

service provider has the meaning in section 8 of the *NGL*.

service usage information is defined in rule 36C(4).

weighted average price information is defined in rule 36E.

[9] Rule 36 Service provider must publish terms and conditions of access to light regulation services

In subrule 36(1)(b), omit "." and substitute "; and".

[10] Rule 36 Service provider must publish terms and conditions of access to light regulation services

After subrule 36(1)(c), insert:

- (c) the methodology used to calculate the price referred to in subrule (1)(a) and sufficient information to enable prospective users to understand how that price reflects the application of the methodology.

[11] New rule 36A Access information standard

After rule 36 in Part 7, insert:

36A Access information standard

- (1) A service provider required by this Division to prepare, publish and maintain information must do so in accordance with the access information standard.
- (2) The **access information standard** means that the information:
 - (a) is not false or misleading in a material particular;

- (b) in relation to information of a technical nature, is prepared, published and maintained in accordance with the practices, methods and acts that would reasonably be expected from an experienced and competent person engaged in the ownership, operation or control of a pipeline in Australia acting with all due skill, diligence, prudence and foresight; and
- (c) in relation to a forecast or estimate, is supported by a statement of the basis of the forecast or estimate and:
 - (i) is arrived at on a reasonable basis; and
 - (ii) represents the best forecast or estimate possible in the circumstances.
- (3) Where a service provider becomes aware that information required to be published by it under this Division does not comply with the access information standard or this Division, the service provider must publish information that does comply as soon as practicable after the service provider becomes aware of the non-compliance.
- (4) Information published under this Division must include the date of publication, the date to which the information is current and, if the information replaces an earlier version as provided for by subrule (3), notice of that fact.

[12] New rule 36B Service provider must publish information

After new rule 36A, insert:

36B Service provider must publish information

- (1) A service provider for a *light regulation pipeline* must prepare, maintain and publish on its website:
 - (a) if the *light regulation pipeline* is a distribution pipeline, the service and access information specified in rule 36C(1)(a) to (c);
 - (b) if the *light regulation pipeline* is a distribution pipeline that is or includes a large distribution pipeline, then in respect of the large distribution pipeline only, the service and access information specified in rule 36C(1)(d);
 - (c) the financial information specified in rule 36D; and
 - (d) weighted average price information, subject to rule 36E(3),

in accordance with the *NGL*, this Division and the financial reporting guidelines.
- (2) The information referred to in subrule (1) must be published at the following times

service and access information (for <i>light</i>	pipeline information	No later than 20 business days after the application date for the
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<i>regulation pipelines</i> that are distribution pipelines only)		<i>light regulation pipeline.</i> Updated pipeline information must be published within 20 business days after there is a change.
	pipeline service information	No later than 20 business days after the application date for the <i>light regulation pipeline.</i> Updated pipeline service information must be published within 20 business days after a new pipeline service is added or an existing pipeline service changes or is withdrawn.
	service usage information	Each month after the application date for the <i>light regulation pipeline</i> , by the last business day of the month for the prior month.
	service availability information	Each month after the application date for the <i>light regulation pipeline</i> , by the last business day of the month for the next 36 or 12 months as applicable.
financial information		Annually no later than four months after the end of the financial year of the service provider for the <i>light regulation pipeline.</i>
weighted average price information		Annually no later than four months after the end of the financial year of the service provider for the <i>light regulation pipeline.</i>

- (3) A service provider for a *light regulation pipeline* must publish the information referred to in subrule (1) by making the information publicly available on the service provider’s website.
- (4) When the service provider for a *light regulation pipeline* publishes financial information and weighted average price information, it must notify the AER without delay that the information has been published.
- (5) A service provider for a *light regulation pipeline* must ensure that historical service usage information, financial information and weighted average price

information for its *light regulation pipeline* continues to be publicly available for a period of 5 years after the date the information is first published, by publishing the information in accordance with subrule (3).

[13] New rule 36C Service and access information for distribution pipelines

After new rule 36B, insert:

36C Service and access information for distribution pipelines

- (1) The service and access information comprises:
 - (a) the pipeline information described in subrule (2);
 - (b) the pipeline service information described in subrule (3);
 - (c) the service usage information described in subrule (4); and
 - (d) for large distribution pipelines only, the service availability information described in subrule (5).

- (2) The pipeline information in respect of a light regulation pipeline that is a distribution pipeline comprises:
 - (a) the quantity of natural gas that can be transported through each gate station on the distribution pipeline in any 24 hour period;
 - (b) the details of all points on the pipeline where the service provider takes delivery of natural gas;
 - (c) a schematic map of the pipeline that shows the location on the pipeline of the points referred to in paragraph (b) and the geographic limits of the areas served by the pipeline;
 - (d) any technical or physical characteristics of the pipeline that may affect access to or use of the pipeline or the price for pipeline services on the pipeline; and
 - (e) policies of the service provider that may affect access to or use of the pipeline or the price for pipeline services on the pipeline which may include:
 - (i) queuing requirements;
 - (ii) a receipt or delivery point change policy;
 - (iii) a metering and measurement policy; and
 - (iv) a balancing policy.

- (3) The pipeline service information for a pipeline comprises a list of the pipeline services available on the pipeline and for each pipeline service:
 - (a) a description of the service and any locational limitations on availability; and
 - (b) the priority ranking of the service in relation to the other pipeline services including when scheduling and in the event of curtailment.
- (4) The service usage information for a pipeline for a month comprises the total quantity of natural gas metered as having been injected into the pipeline during the month.
- (5) The service availability information for a large distribution pipeline for a month comprises:
 - (a) an outlook of the firm capacity of the pipeline that the service provider has available for sale or that it will have available for sale for each month in the following 36 month period;
 - (b) information about matters expected to affect the capacity of the pipeline (including any planned expansions of the capacity) for each month in the following 12 month period, including:
 - (i) the expected start and end dates of the matters expected to affect the capacity of the pipeline;
 - (ii) a description of the matters expected to affect the capacity of the pipeline; and
 - (iii) the expected capacity of the pipeline during the period it is affected by the matters referred to in paragraphs (i) and (ii);
 - (c) information on any other limitations on the availability of the pipeline services identified in the pipeline service information;
 - (d) the following information for each entry and exit point on the large distribution pipeline:
 - (i) daily flow data;
 - (ii) where a meter is installed at the relevant entry or exit point, the flow rate averaged over the shortest reasonably practical period, reported by period;
 - (iii) the pressure averaged over the shortest reasonably practical period, reported by period; and
 - (iv) a static table showing the maximum flow rate of the entry or exit point against pressure.

[14] New rule 36D Financial information

After new rule 36C, insert:

36D Financial information

- (1) A service provider for a *light regulation pipeline* must prepare and publish on its website financial information about each of its *light regulation pipelines*. The financial information must:
 - (a) be in the form and contain the information specified in the financial reporting guidelines; and
 - (b) be certified in the manner provided for in the financial reporting guidelines.
- (2) To avoid doubt, a dispute resolution body is not bound by financial information published under this rule or by any methods, principles or inputs that have been used to calculate financial information published under this rule.

[15] New rule 36E Weighted average price information

After new rule 36D, insert:

36E Weighted average price information

- (1) Subject to subrule (3), a service provider for a *light regulation pipeline* must prepare and publish on its website weighted average price information for each of its *light regulation pipelines*. The weighted average price information must:
 - (a) be determined using a methodology set out in the financial reporting guidelines;
 - (b) be in the form and contain the information specified in the financial reporting guidelines; and
 - (c) be certified in the manner provided for in the financial reporting guidelines.
- (2) The weighted average price information for a *light regulation pipeline* means:
 - (a) the weighted average prices paid by users for pipeline services in a financial year of the service provider of the *light regulation pipeline*; and
 - (b) a description of the methodology used by the service provider to calculate the weighted average prices.
- (3) Subject to subrule (4), a service provider is not required to publish the weighted average price information for a pipeline service for a financial year if:
 - (a) during the relevant period, the pipeline service was provided, directly or indirectly, to no more than 2 users of the *light regulation pipeline*; and

- (b) the service provider gives a notice to the AER at least 20 business days before the date required for publication that the service provider is not publishing the information for that financial year, specifying the pipeline service to which the notice relates and certifying the pipeline service was provided to no more than 2 users of the *light regulation pipeline* during the relevant period.
- (4) Where a notice is given to the AER under subrule (3), the AER may by notice to the service provider require the service provider to treat two or more pipeline services on the *light regulation pipeline* as if they were the same pipeline service and calculate and publish weighted average price information for the financial year on that basis. A service provider must comply with a notice given to it under this subrule.

[16] New rule 36F Financial reporting guidelines

After new rule 36E, insert:

36F Financial reporting guidelines

- (1) The AER must publish and maintain financial reporting guidelines under this Division.
- (2) The financial reporting guidelines must:
 - (a) provide for the publication of financial information about each *light regulation pipeline* on a pipeline by pipeline basis and in respect of the financial year of the service provider for the pipeline, which may include:
 - (i) financial statements;
 - (ii) information on the methods, principles and inputs used to calculate:
 - (A) the value of any assets used in the provision of pipeline services;
 - (B) depreciation allowances;
 - (C) the allocation of costs between the different categories of pipeline services provided by the pipeline; and
 - (D) the allocation of costs to the pipeline if the service provider operates more than one pipeline; and
 - (iii) financial performance metrics;
 - (b) specify the methods, principles and inputs to be used to calculate weighted average price information and the form this information is to take;
 - (c) specify the level of detail of information required, which must be the level of detail reasonably required to enable a prospective user or users to

negotiate on an informed basis with a service provider for the provision of a pipeline service to them by the service provider;

- (d) specify the basis on which the financial information and weighted average price information is to be provided; and
 - (e) specify the form of any statement and/or any supporting documentation required to demonstrate that the information provided:
 - (i) has been arrived at on a reasonable basis; and
 - (ii) to the best knowledge of the service provider is accurate and complete.
- (3) The AER may from time to time amend the financial reporting guidelines in accordance with the *standard consultative procedure* in rule 8.

Notes:

The standard consultative procedure provides for publication of the proposal and consultation on the draft decision before making a final decision.

- (4) Nothing prevents the AER from publishing the financial reporting guidelines in the same document as the financial reporting guidelines published under Part 23.

[17] Rule 40 AER's decisions regarding approval of access arrangement proposals

Omit rule 40 and substitute [~~Deleted~~].

[18] Rule 41 Access arrangement proposal to be approved in its entirety or not at all

After subrule 41(2), insert:

- (3) Subject to other provisions of the *Rules* negating or limiting the AER's discretion, the AER has discretion to accept or approve, or to refuse to accept or approve, any element of an *access arrangement proposal*.

[19] Rule 45 Requirements for limited access arrangement (and limited access arrangement proposal) (Section 116(2) of the NGL)

Omit paragraph (b) of subrule 45(1) and substitute:

- (b) set out a list of all the pipeline services that the service provider can reasonably provide on the pipeline, which must be described having regard to the characteristics in rule 47A(2); and

[20] Rule 45 Requirements for limited access arrangement (and limited access arrangement proposal) (Section 116(2) of the NGL)

Omit paragraph (c) of subrule 45(1) and substitute:

- (c) state the terms and conditions (other than price) for access to the pipeline services; and

[21] Rule 45 Requirements for limited access arrangement (and limited access arrangement proposal) (Section 116(2) of the NGL)

Omit subrule 45(2) of Part 8 and substitute:

- (2) The *access arrangement information* for the limited access arrangement must include the capacity of the pipeline and the extent to which that capacity is currently utilised.

[22] Rule 46 Submission of full access arrangement proposal (Section 132 of the NGL)

Omit subrule 46(1) of Part 8 and substitute:

- (1) Within 20 business days after a pipeline becomes a covered pipeline, the service provider must submit for the AER's approval a *reference service proposal* under rule 47A in respect of the *full access arrangement proposal* it is required to make in respect of the covered pipeline.

[23] Rule 46 Submission of full access arrangement proposal (Section 132 of the NGL)

After subrule 46(1) of Part 8, insert:

- (1A) Within 3 months after the AER makes a *reference service proposal decision* in respect of the *reference service proposal* submitted under subrule (1), the service provider for the covered pipeline must submit for the AER's approval a *full access arrangement proposal*.

Exceptions:

- (a) The proposals referred to in subrules (1) and (1A) are not required for a *light regulation pipeline* unless:
 - (i) the service provider wishes the pipeline services to cease to be light regulation services, advises the NCC to that effect, and an obligation to submit a full access arrangement consequently arises under section 117 of the *NGL*; or

- (ii) the NCC decides to revoke a light regulation determination and an obligation to submit a full access arrangement consequently arises under section 121(1) of the *NGL*.
- (b) The obligation to submit an *access arrangement proposal* for a *CTP access arrangement* is governed by Part 5 and not by this rule.

[24] Rule 46 Submission of full access arrangement proposal (Section 132 of the NGL)

Omit subrule 46(2) and substitute:

- (2) If an obligation to submit a full access arrangement arises in the circumstances described in Exception 1:
 - (a) the *reference service proposal* must be submitted within 20 business days of the obligation arising; and
 - (b) the *access arrangement proposal* must be submitted within 3 months after AER makes a *reference service proposal decision* in respect of the reference service proposal submitted under subrule (2)(a).

[25] Rule 47 Voluntary submission of access arrangement proposal for full access arrangement (Section 127 of the NGL)

After subrule 47(1), insert:

- (1A) If a service provider decides to voluntarily submit for the AER's approval an *access arrangement proposal* proposing a full access arrangement for the pipeline then it must first submit for the AER's approval a *reference service proposal* under rule 47A in respect of the *full access arrangement proposal* it proposes to make in respect of the covered pipeline.

[26] Rule 47 Voluntary submission of access arrangement proposal for full access arrangement (Section 127 of the NGL)

In paragraph (a) of subrule 47(2), after "may withdraw the", insert "*reference service proposal* or the".

[27] New rule 47A Reference services

After rule 47 in Part 8, insert:

47A Reference services

- (1) A service provider in respect of a *full regulation pipeline* must, whenever required to do so under subrule (3), submit to the AER a *reference service proposal* in respect of a forthcoming *full access arrangement proposal* that:

- (a) identifies the pipeline and includes a reference to a website at which a description of the pipeline can be inspected;
 - (b) sets out a list of all the pipeline services that the service provider can reasonably provide on the pipeline and those pipeline services must be described having regard to the characteristics in subrule (2);
 - (c) from the list in subrule (1)(b), identifies at least one of those pipeline services that the service provider proposes to specify as reference services having regard to the *reference service factors* including any supporting information required by the AER; and
 - (d) if the service provider has engaged with pipeline users and end users in developing its *reference service proposal*, describes any feedback received from those users about which pipeline services should be specified as reference services.
- (2) A pipeline service is to be treated as distinct from another pipeline service having regard to the characteristics of different pipeline services, including:
- (a) the service type (for example, forward haul, backhaul, connection, park and loan);
 - (b) the direction of the pipeline, as distinct from the service type;
 - (c) the priority of the service relative to other pipeline services of the same type;
 - (d) the direction of flow of natural gas through the pipeline; and
 - (e) the receipt and delivery points.
- (3) A service provider in respect of a *full regulation pipeline* must submit a *reference service proposal* to the AER:
- (a) no later than 12 months prior to the *review submission date* for the access arrangement; or
 - (b) if no access arrangement applies, in accordance with rule 46.
- (4) If the AER considers that the *reference service proposal* does not comply, in any respect, with a requirement of the *Rules*, the AER may notify the service provider that it requires resubmission of the *reference service proposal*, and in doing so, must:
- (a) state why, and in what respects, the AER considers the *reference service proposal* to be non-compliant; and
 - (b) state a date by which the service provider is required to resubmit the amended *reference service proposal*.

- (5) If a service provider fails to submit a *reference service proposal* where required to do so under these Rules by the date that is 11 months prior to the *review submission date*, the AER must itself propose a *reference service proposal* for the relevant pipeline.
- (6) As soon as practicable after:
 - (a) receiving a *reference service proposal* from the service provider under subrule (3) that the AER does not consider needs resubmission under subrule (4);
 - (b) receiving the resubmitted *reference service proposal* under subrule (4); or
 - (c) proposing a *reference service proposal* under subrule (5),the AER must *publish*:
 - (d) the *reference service proposal*; and
 - (e) an invitation for written submissions on the *reference service proposal* (which must be for a period of at least 15 business days after the publication of the *reference service proposal*).
- (7) Any person may make written submissions to the AER on the *reference service proposal*, or the issues within the proposal including, without limitation, whether the *reference service proposal* should specify other services as reference services.
- (8) Following receipt of submissions under subrule (7), the AER may, at its discretion, undertake further consultation on the *reference service proposal*.
- (9) No later than 6 months prior to the *review submission date* for the access arrangement, the AER must make a *reference service proposal decision* and give a copy of the *decision* to the service provider and publish its *decision*, together with its reasons for the *decision*, on its website.
- (10) A *reference service proposal decision* is a *decision* to approve, or to refuse to approve, a *reference service proposal*.
- (11) If, in a *reference service proposal decision*, the AER refuses to approve a *reference service proposal* the AER must revise the *reference service proposal* having regard to:
 - (a) the matters that these rules require a *reference service proposal* to include; and
 - (b) the service provider's *reference service proposal*; and
 - (c) the AER's reasons for refusing to approve that proposal,and give a copy of the revised *reference service proposal* to the service provider and publish the revised *reference service proposal* on its website.

- (12) If the AER publishes a revised *reference service proposal* under subrule (11) it must as soon as practicable after publishing the revised proposal make a *reference service proposal decision* to give effect to the revised *reference service proposal*.
- (13) In making its *reference service proposal decision*, the AER must have regard to:
- (a) the *reference service factors*;
 - (b) submissions made in response to its invitation under subrule (7) (within the time allowed in the invitation);
 - (c) where applicable, any feedback the service provider has received from pipeline users and end users, as described in accordance with subrule (1)(d); and
 - (d) any other matters the AER considers relevant.
- (14) In deciding whether or not a pipeline service should be specified as a reference service, the AER must have regard to the *reference service factors*.
- (15) The *reference service factors* are:
- (a) actual and forecast demand for the pipeline service and the number of prospective users of the service;
 - (b) the extent to which the pipeline service is substitutable with another pipeline service to be specified as a reference service;
 - (c) the feasibility of allocating costs to the pipeline service;
 - (d) the usefulness of specifying the pipeline service as a reference service in supporting access negotiations and dispute resolution for other pipeline services, such that:
 - (i) reference services serve as a point of reference from which pipeline services that are not reference services can be assessed by a user or prospective user for the purpose of negotiating access to those other pipeline services;
 - (ii) a reference tariff serves as a benchmark for the price of pipeline services that are not reference services; and
 - (iii) reference service terms and conditions serve as a benchmark for the terms and conditions of pipeline services that are not reference services;
 - (e) the likely regulatory cost for all parties (including the AER, users, prospective users and the service provider) in specifying the pipeline service as a reference service.

**[28] Rule 48 Requirements for full access arrangement
(and full access arrangement proposal)**

Omit subrule 48(1)(b) and substitute:

- (b) describe all of the pipeline services that that service provider can reasonably provide on the pipeline, which must be consistent with the AER's *reference service proposal decision* under rule 47A, unless there has been a material change in circumstances; and

**[29] Rule 48 Requirements for full access arrangement
(and full access arrangement proposal)**

Omit subrule 48(1)(c) and substitute:

- (c) specify the reference services, which must be consistent with the AER's *reference service proposal decision* under rule 47A, unless there has been a material change in circumstances; and

**[30] Rule 48 Requirements for full access arrangement
(and full access arrangement proposal)**

After subrule 48(1)(c), insert:

- (c1) if the information provided under subrules (1)(b) or (1)(c) is different to the AER's *reference service proposal decision* under rule 47A, describe the material change in circumstances that necessitated the change having regard to the *reference service factors*; and

**[31] Rule 48 Requirements for full access arrangement
(and full access arrangement proposal)**

In paragraph (d)(ii) of subrule 48(1), omit "which the" and substitute "which each".

[32] Rule 50 Review of access arrangements

Omit rule 50 and substitute:

50 Review of access arrangements

- (1) A service provider, as part of an *access arrangement proposal* for a full access arrangement (other than a voluntary access arrangement), must propose a *review submission date* and a revision commencement date. The proposed revision commencement date must be not less than 12 months after the proposed *review submission date*.
- (2) The AER must approve the dates proposed by the service provider under subrule (1) if it is satisfied that those dates are consistent with the national gas objective and the revenue and pricing principles and if the proposed revision

commencement date is not less than 12 months after the proposed *review submission date*.

- (3) If the AER does not approve the dates proposed by the service provider for the *review submission date* or the revision commencement date (as the case may be), because it considers those dates are not consistent with the national gas objective and the revenue and pricing principles, the AER must fix an alternative *review submission date* or revision commencement date (as the case may be).

[33] Rule 51 Acceleration of review submission date

In subrule 51(3), omit "insist on" and substitute "require".

[34] Rule 57 Pre submission conference

Omit rule 57 and substitute "[Deleted]".

**[35] Rule 58 Notification of submission of full access
arrangement proposal for approval**

In subrule 58(1), omit "and in a newspaper circulating generally throughout Australia".

[36] Rule 59 Access arrangement draft decision

In subrule 59(2), in Example 2, omit "rule 101" and substitute "rule 47A".

[37] Rule 59 Access arrangement draft decision

In subrule 59(3), omit "15" and substitute "30".

[38] Rule 59 Access arrangement draft decision

In subrule 59(5)(b), omit "and make it available for inspection, during business hours, at the AER's public offices".

[39] Rule 59 Access arrangement draft decision

In subrule 59(5)(c), omit "and in a newspaper circulating generally throughout Australia".

[40] Rule 62 Access arrangement final decision

In subrule 62(5)(b), omit "and make it available for inspection, during business hours, at the AER's public offices".

[41] Rule 62 Access arrangement final decision

In subrule 62(7), omit "6 months" and substitute "8 months".

[42] Rule 64 AER's power to make or revise access arrangement on refusing to approve an access arrangement proposal

In subrule 64(5)(b), omit "and make it available for inspection, during business hours, at the AER's public offices".

[43] Rule 72 Specific requirements for access arrangement information relevant to price and revenue regulation

Omit subrule 72(1)(f) and substitute "[Deleted]".

[44] Rule 72 Specific requirements for access arrangement information relevant to price and revenue regulation

After subrule 72(2), insert:

- (3) Where the AER has published financial models under rule 75A, the *access arrangement information* for a *full access arrangement proposal* must be provided in accordance with the requirements of rule 75B.

[45] Rule 73 Basis on which financial information is to be provided

In subrule 73(3), omit "consistently on the same basis", and substitute "on the same basis and using any applicable financial models published by the AER under these Rules".

[46] New rule 75A Preparation and amendment of financial models

After rule 75 in Part 9, insert:

75A Preparation and amendment of financial models

- (1) The AER may prepare and publish a revenue model and/or a capital base roll forward model (**financial models**) and if it does, must do so in accordance with this rule 75A and rule 75B.
- (2) If the AER publishes a financial model under this rule, a service provider must use the model in accordance with the requirements of these rules.
- (3) The AER may from time to time, in accordance with this rule 75A and rule 75B, amend or replace a financial model in accordance with these rules.
- (4) In preparing or amending a financial model, the AER must publish a notice on its website:
 - (a) describing the proposed model or amendments to the model (as the case may be), and giving the address of a website on which the details of the model or amendments, and the reasons for them, are published; and

- (b) inviting written submissions on the proposed model or amendments to the model (as the case may be) within no less than 30 business days of the date of the notice.
- (5) The AER may publish such issues, consultation and discussion papers, and hold such conferences and information sessions, in relation to the proposed model or amendments to the model (as the case may be) as it considers appropriate.
- (6) Within 80 business days of publishing the notice referred to in subrule (4), and after considering relevant submissions made within the time allowed in the notice and other matters the AER considers relevant, the AER must make its final *decision*.
- (7) The AER's final *decision* must:
 - (a) be in writing;
 - (b) state the terms of the *decision* and the reasons for it; and
 - (c) include a summary of each issue raised in submissions that the AER reasonably considers to be material, together with the AER's response to each issue.
- (8) The AER may extend the time within which it is required to make its final *decision* if:
 - (a) the consultation involves issues of unusual complexity or difficulty; or
 - (b) the extension of time has become necessary because of circumstances beyond the AER's control.
- (9) After making a final *decision*, the AER must, without delay, publish the final *decision* on its website.

[47] New rule 75B Contents of the financial models

After new rule 75A, insert:

75B Contents of the financial models

- (1) A revenue model must set out the manner in which the service provider's total revenue is to be calculated.
- (2) The revenue model must include (but is not limited to):
 - (a) the revenue requirements of the service provider calculated in accordance with the building block approach in rule 76;
 - (b) the method that the AER determines is likely to result in the best estimates of expected inflation;

- (c) the timing assumptions and associated discount rates that are to apply in relation to the calculation of the building blocks referred to in rule 76;
 - (d) the manner in which working capital is to be treated; and
 - (e) the manner in which the estimated cost of corporate income tax is to be calculated.
- (3) A capital base roll forward model must set out the AER's method for determining the roll forward of the capital base for a *full regulation pipeline*:
- (a) from the immediately preceding *access arrangement period* to the beginning of the first regulatory year of the next *access arrangement period*, so as to establish the value of the opening capital base as at the beginning of the first regulatory year of the next *access arrangement period*; and
 - (b) from one year in an *access arrangement period* to the next regulatory year in that same *access arrangement period*, so as to establish the value of the capital base as at the beginning of the next regulatory year;

and under which the roll forward of the capital base from the immediately preceding *access arrangement period* to the beginning of the first regulatory year of the next *access arrangement period* is consistent with this Part 9.

[48] Rule 77 Opening capital base

After subrule 77(2)(c), insert:

plus:

- (c1) in relation to any existing extension specified in the extension and expansion requirements in accordance with rule 104(1A), the following value:
 - (i) the cost of construction of the extension;
- plus
- (ii) the amount of capital expenditure since construction of the extension;
- less:
- (iii) depreciation since the date the extension was commissioned; and
 - (iv) the value of pipeline assets constituting the extension disposed of since commissioning of the extension;

[49] Rule 77 Opening capital base

After subrule 77(3)(b), insert:

plus:

(b1) in relation to any existing extension specified in the extension and expansion requirements in accordance with rule 104(1A), the following value:

(i) the cost of construction of the extension;

plus

(ii) the amount of capital expenditure since construction of the extension;

less:

(iii) depreciation since the date the extension was commissioned; and

(iv) the value of pipeline assets constituting the extension disposed of since commissioning of the extension;

[50] Rule 79 New capital expenditure criteria

At the end of subrule 79(1)(b), omit "." and substitute "; and".

[51] Rule 79 New capital expenditure criteria

After subrule 79(1)(b), insert:

(c) the capital expenditure must be for expenditure that is properly allocated in accordance with the requirements of subrule (6).

[52] Rule 79 New capital expenditure criteria

Omit subrule 79(6) and substitute:

(6) Conforming capital expenditure that is included in an *access arrangement revision proposal* must be for expenditure that is properly allocated between:

(a) reference services;

(b) other services provided by means of the covered pipeline; and

(c) other services provided by means of uncovered parts (if any) of the pipeline.

[53] Rule 89 Depreciation criteria

Delete subrule 89(3).

[54] Rule 91 Criteria governing operating expenditure

Omit subrule 91(2) and substitute:

(2) The forecast of required operating expenditure of a pipeline service provider that is included in the full access arrangement must be for expenditure that is properly allocated between:

- (a) reference services;
- (b) other services provided by means of the covered pipeline; and
- (c) other services provided by means of uncovered parts (if any) of the pipeline.

[55] Rule 92 Revenue equalisation

In the opening paragraph of subrule 92(2), omit "The" and substitute "Except to the extent that subrule (3) applies, the".

[56] Rule 92 Revenue equalisation

In subrule 92(2)(a), omit "over" and substitute "for".

[57] Rule 92 Revenue equalisation

Omit subrule 92(3), and substitute:

- (3) If there is an interval between a revision commencement date stated in a full access arrangement and the date on which revisions to the access arrangement actually commence (the **interval of delay**):
 - (a) reference tariffs, as in force at the end of the previous *access arrangement period*, must continue without variation for the interval of delay; but
 - (b) the operation of this subrule may be taken into account in fixing reference tariffs for the new *access arrangement period*, such that there may be an adjustment for any under-recovery or over-recovery by the service provider as a result of the continuation of reference tariffs from the previous *access arrangement period* during the interval of delay.

[58] Rule 92 Revenue equalisation

After subrule 92(3), insert:

- (4) For the avoidance of doubt, once the revisions to an access arrangement actually commence the access arrangement period to which the revised access arrangement applies includes the interval of delay.

[59] Rule 93 Allocation of total revenue and costs

Omit subrule 93(3)(a) and substitute:

- (a) the AER is satisfied that the service provider will apply an appropriate portion of the revenue generated from the sale of rebateable services to reduce the reference tariff in accordance with rule 97; and

[60] Rule 93 Allocation of total revenue and costs

In subrule 93(4)(b), omit "; and" and substitute ".".

[61] Rule 93 Allocation of total revenue and costs

Omit subrule 93(4)(c).

[62] Rule 94 Tariffs – distribution pipelines

Omit subrule 94(6).

[63] Rule 95 Tariffs – transmission pipelines

Omit subrule 95(4), including the note.

[64] Rule 97 Mechanics of reference tariff variation

After subrule 97(1)(c), insert:

- (c1) as a result of the application of a portion of the revenue generated from the sale of rebateable services to reduce the reference tariff as contemplated under rule 93(3); or

[65] Rule 97 Mechanics of reference tariff variation

After subrule 97(3)(d), insert:

- (d1) the risk sharing arrangements implicit in the access arrangement; and

[66] Rule 100 General requirement for consistency

Omit rule 100, excluding the heading, and substitute:

- (1) The provisions of an access arrangement must be consistent with:
 - (a) the national gas objective; and
 - (b) these rules and the Procedures as in force when the terms and conditions of the access arrangement are determined or revised.
- (2) In deciding whether the non-tariff terms and conditions of an access arrangement are appropriate, the AER must have regard to the risk-sharing arrangements implicit in the reference tariff.

[67] Rule 101 Full access arrangement to contain statement of reference services

Omit rule 101 of Part 10 and substitute "[Deleted]".

[68] Rule 104 Extension and expansion requirements

Omit rule 104 and substitute:

104 Extension and expansion requirements

- (1) Extension and expansion requirements may state whether the applicable access arrangement will apply to incremental services to be provided as a result of a particular extension to the pipeline made during the access arrangement period or may allow for later resolution of that question on a basis stated in the requirements.
- (1A) Extension and expansion requirements may, if the service provider agrees, state that the applicable access arrangement will apply to incremental services to be provided as a result of a particular extension to the pipeline made before the revision commencement date for the applicable access arrangement.
- (2) Extension and expansion requirements must state that the applicable access arrangement will apply to incremental services to be provided as a result any expansion to the capacity of the pipeline during the access arrangement period and deal with the effect of the expansion on tariffs.
- (3) Extension and expansion requirements included in a full access arrangement must, if they provide that an applicable access arrangement is to apply to incremental services provided as a result of an extension to the pipeline:
 - (a) in the case of extensions made before the revision commencement date for the applicable access arrangement deal with:
 - (i) the effect of the extension on the opening capital base under rule 77(2)(c1); and
 - (ii) the effect of the extension on the description of reference services specified in the access arrangement proposal; and
 - (b) in all cases, deal with the effect of the extension on tariffs.
- (4) The extension and expansion requirements cannot require the service provider to provide funds for work involved in making an extension or expansion unless the service provider agrees.

[69] Part 11 Facilitation of, and request for, access

Before rule 107, insert:

Division 1 Obligations on scheme pipeline service providers

[70] Rule 107 Availability of applicable access arrangement and other information

In subrule 107(2), omit "The" at the beginning of the subrule and substitute "At the request of a prospective user, the".

[71] Rule 107 Availability of applicable access arrangement and other information

In subrule 107(2), omit ", at the request of a prospective user," before "specified information".

[72] Rule 107 Availability of applicable access arrangement and other information

After subrule 107(2), insert:

- (2a) The AER may refuse to issue a notice under subrule (2) in respect of all or part of the requested information if, in the AER's reasonable opinion:
 - (a) the prospective user has not attempted to request the information from the *scheme pipeline service provider*;
 - (b) the prospective user has requested the information from the *scheme pipeline service provider* but the *scheme pipeline service provider* has not had sufficient time to respond to the prospective user;
 - (c) the information is otherwise already available to the prospective user; or
 - (d) the information is not reasonably required by the prospective user in order to decide whether to seek access, or to apply for access, to a service provided by the service provider.

[73] Rule 111 Public registers of spare capacity

Omit rule 111 and substitute "[Deleted]".

[74] Rule 112 Requests for access

In subrule 112(1), after "prospective user.", insert "For the purposes of this rule 112, the date of the prospective user's request is referred to as the "access request date"."

[75] Rule 112 Requests for access

Omit subrule 112(3) and substitute:

- (3) The service provider must:
 - (a) within 5 business days after the access request date, respond to the request acknowledging receipt; and
 - (b) within 10 business days after the access request date, inform the prospective user:
 - (i) that it is able to provide the requested pipeline service;
 - (ii) that it needs to carry out further investigation to determine whether it can provide the requested pipeline service; or

- (iii) that it is unable to provide the requested pipeline service.

[76] Rule 112 Requests for access

Omit the opening paragraph of subrule 112(4) and substitute:

- (4) If the service provider is unable to provide the requested pipeline service, it must:

[77] Rule 112 Requests for access

Omit subrule 112(5) and substitute:

- (5) If the service provider is able to provide the service, it must, within 25 business days of the access request date, provide the terms and conditions on which the service provider is prepared to provide the requested pipeline service (the **access proposal**).

[78] Rule 112 Requests for access

After subrule 112(5), insert:

- (6) If the service provider needs to carry out further investigation to determine whether it can provide the requested pipeline service, it must carry out the investigation and then, within 25 business days of the access request date, inform the prospective user:
 - (a) that it is able to provide the requested service; or
 - (b) that it is unable to provide the requested service.
- (7) If the service provider is unable to provide the requested pipeline service it must include in its notification under subrule (6) the information specified in subrule (4).
- (8) If the service provider is able to provide the service, it must, within 15 business days of providing the notice under subrule (6)(a), provide the terms and conditions on which the service provider is prepared to provide the requested pipeline service (the **access proposal**).
- (9) If the prospective user:
 - (a) wants to seek access to the pipeline service based on the access proposal provided by the service provider under subrules (5) or (8), it must notify the service provider within 15 business days of receiving the access proposal; or
 - (b) wants to request amendments to the access proposal provided by the service provider under subrules (5) or (8), it must notify the service provider within 15 business days of receiving the access proposal and provide its requested amendments.

- (10) Following the prospective user's response under subrule (9)(b), the service provider must respond within 15 business days. If the parties have not agreed on the service provider's proposal (or some negotiated modification of it) within a further 20 business days after the date of the service provider's response –under this subrule, then the service provider is taken to have rejected the prospective user's request.

Note:

This rule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

Note:

This rule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

[79] New Division 2 of Part 11 Provision of information by full regulation distribution pipelines

After rule 112, insert:

Division 2 Provision of information by full regulation distribution pipelines

112A Definitions and interpretation

- (1) In this this Division:

access information standard is defined in rule 112B.

application date means:

- (a) in relation to a pipeline that is a full regulation distribution pipeline on the commencement date – the date falling 3 months after the commencement date;
- (b) in relation to a pipeline that becomes a full regulation distribution pipeline within 3 months after the commencement date – the date falling 3 months after the commencement date; and
- (c) in relation to any other pipeline, the later of:
 - (i) the date the pipeline is commissioned; and
 - (ii) the date the pipeline becomes a full regulation distribution pipeline.

Note:

Section 12 of the NGL defines when a pipeline is commissioned.

business day means a day that is not a Saturday, Sunday or public holiday in any participating jurisdiction or in relation to a pipeline in Western Australia that jurisdiction alone.

commencement date means [DATE RULE IS MADE].

daily flow data means, for a large full regulation distribution pipeline:

- (a) the quantity of natural gas that is metered as having been, or estimated in good faith by the pipeline operator to have been, injected at each receipt point on the pipeline on a gas day; and
- (b) the quantity of natural gas that is metered as having been, or estimated in good faith by the pipeline operator to have been, withdrawn at each delivery point on the pipeline on the gas day.

flow rate means the rate at which gas flows past a point on a pipeline in an hour, expressed in GJ/hour.

full regulation distribution pipeline means a *full regulation pipeline* that is a distribution pipeline.

information includes data.

large full regulation distribution pipeline means a full regulation distribution pipeline or part of a full regulation distribution pipeline that has a maximum daily capacity under normal operating conditions of >10TJ/day and a maximum pressure capability under normal operating conditions of >4MPa.

meter means a device that measures and records quantities of gas by reference to volume, mass or energy content.

pipeline information is defined in rule 112D(2).

pipeline service information is defined in rule 112D(3).

service and access information is defined in rule 112D.

service availability information is defined in rule 112D(5).

service provider has the meaning in section 8 of the *NGL*.

service usage information is defined in rule 112D(4).

112B Access information standard

- (1) A service provider required by rules 112C and 112D to prepare, publish and maintain information must do so in accordance with the access information standard.
- (2) The **access information standard** means that the information:

- (a) is not false or misleading in a material particular;
 - (b) in relation to information of a technical nature, is prepared, published and maintained in accordance with the practices, methods and acts that would reasonably be expected from an experienced and competent person engaged in the ownership, operation or control of a pipeline in Australia acting with all due skill, diligence, prudence and foresight; and
 - (c) in relation to a forecast or estimate, is supported by a statement of the basis of the forecast or estimate and:
 - (i) is arrived at on a reasonable basis; and
 - (ii) represents the best forecast or estimate possible in the circumstances.
- (3) Where a service provider becomes aware that information required to be published by it under rules 112C and 112D does not comply with the access information standard or rules 112C and 112D, the service provider must publish information that does comply as soon as practicable after the service provider becomes aware of the non-compliance.
- (4) Information published under rules 112C and 112D must include the date of publication, the date to which the information is current and, if the information replaces an earlier version as provided for by subrule (3), notice of that fact.

112C Service provider for full regulation distribution pipelines must publish information

- (1) A service provider for a full regulation distribution pipeline must prepare, maintain and publish on its website:
- (a) the service and access information specified in rule 112D(1)(a) to (c);
 - (b) if the full regulation distribution pipeline is or includes a large full regulation distribution pipeline, then in respect of the large full regulation distribution pipeline only, the service and access information specified in rule 112D(1)(d),
- in accordance with the *NGL* and this Division.
- (2) The information referred to in subrule (1) must be published at the following times.

service and access information (for full regulation distribution pipeline only)	pipeline information	No later than 20 business days after the application date for the full regulation distribution pipeline. Updated pipeline information must be published within 20
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		business days after there is a change.
	pipeline service information	No later than 20 business days after the application date for the full regulation distribution pipeline. Updated pipeline service information must be published within 20 business days after a new pipeline service is added or an existing pipeline service changes or is withdrawn.
	service usage information	Each month after the application date for the full regulation distribution pipeline, by the last business day of the month for the prior month.
	service availability information	Each month after the application date for the full regulation distribution pipeline, by the last business day of the month for the next 36 or 12 months as applicable.

- (3) A service provider for a full regulation distribution pipeline must publish the information referred to in subrule (1) by making the information publicly available on the service provider’s website.
- (4) A service provider for a full regulation distribution pipeline must ensure that historical service usage information for its full regulation distribution pipeline continues to be publicly available for a period of 5 years after the date the information is first published, by publishing the information in accordance with subrule (3).

112D Service and access information for distribution pipelines

- (1) The service and access information comprises:
 - (a) the pipeline information described in subrule (2);
 - (b) the pipeline service information described in subrule (3);
 - (c) the service usage information described in subrule (4); and
 - (d) for large full regulation distribution pipelines only, the service availability information described in subrule (5).

- (2) The pipeline information in respect of a full regulation distribution pipeline, comprises:
 - (a) the quantity of natural gas that can be transported through each gate station on the distribution pipeline in any 24 hour period;
 - (b) the details of all points on the pipeline where the service provider takes delivery of natural gas; and
 - (c) a schematic map of the pipeline that shows the location on the pipeline of the points referred to in paragraph (b) and the geographic limits of the areas served by the pipeline;
 - (d) any technical or physical characteristics of the pipeline that may affect access to or use of the pipeline or the price for pipeline services on the pipeline; and
 - (e) policies of the service provider that may affect access to or use of the pipeline or the price for pipeline services on the pipeline which may include:
 - (i) queuing requirements;
 - (ii) a receipt or delivery point change policy;
 - (iii) a metering and measurement policy; and
 - (iv) a balancing policy.
- (3) The pipeline service information for a full regulation distribution pipeline comprises a list of the pipeline services available on the pipeline and for each pipeline service:
 - (a) a description of the service and any locational limitations on availability; and
 - (b) the priority ranking of the service in relation to the other pipeline services including when scheduling and in the event of curtailment.
- (4) The service usage information for a full regulation distribution pipeline for a month comprises the total quantity of natural gas metered as having been injected into the pipeline during the month.
- (5) The service availability information for a large distribution pipeline for a month comprises:
 - (a) an outlook of the firm capacity of the pipeline that the service provider has available for sale or that it will have available for sale for each month in the following 36 month period;

- (b) information about matters expected to affect the capacity of the pipeline (including any planned expansions of the capacity) for each month in the following 12 month period, including:
 - (i) the expected start and end dates of the matters expected to affect the capacity of the pipeline;
 - (ii) a description of the matters expected to affect the capacity of the pipeline; and
 - (iii) the expected capacity of the pipeline during the period it is affected by the matters referred to in paragraphs (i) and (ii);
- (c) information on any other limitations on the availability of the pipeline services identified in the pipeline service information;
- (d) the following information for each entry and exit point on the large distribution pipeline:
 - (i) daily flow data;
 - (ii) the gas flow rate averaged over the shortest reasonably practical period, reported by period;
 - (iii) the pressure averaged over the shortest reasonably practical period, reported by period; and
 - (iv) a static table showing the maximum flow rate of the entry or exit point against pressure.

[80] Rule 145 Purpose of the Bulletin Board

At the end of subrule 145(a), omit "and".

[81] Rule 145 Purpose of the Bulletin Board

At the end of subrule 145(b), omit "." and substitute "; and".

[82] Rule 145 Purpose of the Bulletin Board

After subrule 145(b), insert:

- (c) negotiations for access to BB pipelines.

Schedule 2 Amendment to the National Gas Rules

(Clause 4)

[1] Part 15 Scheme register

Omit "Scheme" in the title of Part 15 and substitute "Pipeline".

[2] Rule 133 Establishment and maintenance of register

In subrule 133(1), omit "scheme" and substitute "pipeline".

[3] Rule 133 Establishment and maintenance of register

In subrule 133(2), omit "scheme" and substitute "pipeline".

[4] Rule 133 Establishment and maintenance of register

In the opening paragraph of subrule 133(3), omit "scheme" and substitute "pipeline".

[5] Rule 133 Establishment and maintenance of register

In subrule 133(3)(a), omit "and" at the end of the subrule.

[6] Rule 133 Establishment and maintenance of register

In paragraph (b) of subrule 133(3), omit "." and substitute "; and"

[7] Rule 133 Establishment and maintenance of register

After subrule 133(3)(b), insert:

- (c) the name of the pipeline service provider.

[8] Rule 133 Establishment and maintenance of register

In subrule 133(4), omit "scheme" and substitute "pipeline".

[9] Rule 133 Establishment and maintenance of register

After subrule 133(4)(f), insert:

- (g) access determinations (as defined in Part 1 of the *NGL*) and access determinations (as defined in Part 6A of the *NGL*); and
- (h) exemption decisions made under Division 6 of Part 23 of the *Rules*.

[10] Rule 134 Notification of extension or capacity expansion

In the title of rule 134, after "capacity expansion" insert "or new pipeline".

[11] Rule 134 Notification of extension or capacity expansion or new pipeline

Number the first paragraph of Rule 134 as subrule (1).

[12] Rule 134 Notification of extension or capacity expansion or new pipeline

In subrule 134(1), insert "scheme pipeline or non-" before "scheme pipeline".

[13] Rule 134 Notification of extension or capacity expansion or new pipeline

After subrule 134(1), insert:

- (2) The service provider of a new pipeline must give the AEMC the information under rule 133(3) within one month of the pipeline being commissioned for inclusion in the register.

[14] New Rule 134A Provision of information

After rule 134 of Part 15, insert:

134A Provision of information

- (1) The AEMC may, by notice on its website, specify the form and manner in which information for inclusion in the pipeline register maintained under this Part 15 must be provided to the AEMC.
- (2) A service provider must provide information to the AEMC for the pipeline register in the form and manner required by the AEMC and published under subrule (1).

[15] Rule 135 Public availability of the register

Omit rule 135, except the heading, and substitute "The pipeline register must be accessible on the AEMC's website."

Schedule 3 Amendment to the National Gas Rules

(Clause 4)

[1] Rule 141 Interpretation

In subrule 141(1) in the definition of BB pipeline, after "means a", insert "BB transmission pipeline that is a scheme pipeline and any other".

Schedule 4 Amendment to the National Gas Rules

(Clause 4)

[1] Rule 175 12 month outlook of uncontracted primary pipeline capacity

In the heading of rule 175, omit "12 month" and substitute "36 month".

[2] Rule 175 36 month outlook of uncontracted primary pipeline capacity

In subrule 175(1), omit "12 months" and substitute "36 months".

Schedule 5 Savings and Transitional Amendments to the National Gas Rules

(Clause 7)

[1] Schedule 1 Transitional Provisions

In Schedule 1, after Part 11, insert:

Part 12 Transitional provisions regarding Regulation of covered pipelines rule

60 Definitions

For the purposes of this Part 12:

Amending Rule means the National Gas Amendment (Regulation of covered pipelines) Rule 2019.

commencement date means the commencement date of schedule 1 of the Amending Rule.

modified rule 48 means rule 48 as set out in subrule 61(5) below.

new rule 46, 47A and 48 means rule 46, 47A and 48 each as in force immediately after the commencement date.

next access arrangement period means, for a transitional pipeline, the period that commences on a *revision commencement date for an applicable access arrangement* that occurs after the commencement date.

old rule 46 means rule 46 as in force immediately before the commencement date.

reference service factors means the factors in subrule 47A(15) of the Amending Rule.

transitional pipeline means:

- (a) the Goldfields Gas Pipeline (WA); and
- (b) the NSW Gas Network (otherwise known as Jemena Gas Network); and
- (c) the Dampier to Bunbury Natural Gas Pipeline,

each as described in the Scheme Register maintained by the AEMC under Part 15 of the *NGL*.

61 Application of Amending Rule to Mid-West and South-West Gas Distribution Systems

- (1) The amendments to Parts 8, 9 and 10 of the Rules made by the Amending Rule does not apply to the Mid-West and South-West Gas Distribution Systems in respect of the *access arrangement* for that pipeline for the next access arrangement period.

62 Application of Amending Rule to transitional pipelines

- (1) The application of the Amending Rule to the transitional pipelines is modified under this rule 61.
- (2) New rule 46, 47A and 48 do not apply to the transitional pipelines in respect of the *access arrangement* for the next access arrangement period.
- (3) Old rule 46 applies to the transitional pipelines in respect of the *access arrangement* for the next access arrangement period.
- (4) Modified rule 48 applies to the transitional pipelines in respect of the *access arrangement* for the next access arrangement period.
- (5) Modified rule 48 is:

“48 Requirements for full access arrangement (and full access arrangement proposal)

- (1) A full access arrangement must:
 - (a) identify the pipeline to which the access arrangement relates and include a reference to a website at which a description of the pipeline can be inspected; and
 - (b) describe all of the pipeline services that the service provider can reasonably provide on the pipeline, which must be described having regard to the characteristics of different pipeline services, including those listed in subrule 47A(2) of the Amending Rule; and
 - (c) from the pipeline services identified under subrule (b), specify the services the service provider proposes to specify as reference services having regard to the reference service factors including any supporting information required by the AER; and
 - (c1) if the pipeline service provider has engaged with pipeline users and end users in identifying the reference services under subrule (c), describe any feedback received from those users about which pipeline services should be specified as reference services; and
 - (d) specify for each reference service:

- (i) the reference tariff; and
 - (ii) the other terms and conditions on which each reference service will be provided; and
- (e) if the access arrangement is to contain queuing requirements – set out the queuing requirements; and

Note:

Queuing requirements are necessary if the access arrangement is for a transmission pipeline but, if the pipeline is a distribution pipeline, queuing requirements are not necessary unless the AER has given prior notification of the need to include queuing requirements (See rule 103).

- (f) set out the capacity trading requirements; and
- (g) set out the extension and expansion requirements; and
- (h) state the terms and conditions for changing receipt and delivery points; and
- (i) if there is to be a *review submission date* – state the *review submission date* and the revision commencement date; and

Note:

A full access arrangement must contain a *review submission date* and a revision commencement date unless it is a voluntary access arrangement – See rule 49.

- (j) if there is to be an *expiry date* – state the *expiry date*.

Note:

A full access arrangement may contain an *expiry date* if it is a voluntary access arrangement (but not otherwise) – See rule 49.

- (2) This rule extends to an *access arrangement proposal* consisting of a proposed full access arrangement.”

63 Initial financial reporting guidelines for light regulation pipelines

- (1) The AER must publish the initial financial reporting guidelines under rule 36F no later than 31 October 2019.
- (2) Subject to subrule (3), before publishing the initial financial reporting guidelines, the AER may consult on a draft by:
- (a) publishing the draft on its website and inviting comments on the draft within a specified time; and
 - (b) considering any comments on that draft provided within the specified time before publishing the initial financial reporting guidelines.

- (3) In determining whether to consult under subrule (2), the AER may take into account consultation by the AER or any other person undertaken in the development of the draft initial financial reporting guidelines.

64 Initial financial reporting and average weighted prices

- (1) This rule applies to the service provider for a light regulation pipeline that is a light regulation pipeline on the commencement date or that becomes a light regulation pipeline at any time before 31 October 2019.
- (2) Subject to subrule (3), where this rule applies, the service provider must first prepare and publish the financial information under rule 36D and average weighted price information under rule 36E for its light regulation pipelines for the financial year for the service provider that ends after 31 December 2019.
- (3) Rules 36E(3) and (4) apply to the obligation to publish initial weighted average price information under subrule (2).

65 Provision of information for pipeline register

- (1) This rule applies to the service provider for a non-scheme pipeline that is a non-scheme pipeline on the commencement date.
 - (2) The service provider for a non-scheme pipeline must give the information under rule 133(3) of the Amending Rule to the AEMC no later than 6 weeks after the commencement date.
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