

AGL Gas Networks Limited
ACN 003 004 322

Access Arrangement
for NSW Network

AGL GAS NETWORKS LIMITED

ACCESS ARRANGEMENT

INTRODUCTION

Background

AGL Gas Networks Limited (“**AGLGN**”) established its 1997 Access Undertaking under the NSW third party access laws contained in the Gas Supply Act and the Third Party Access Code for Natural Gas Distribution Networks established under that Act (“**NSW Code**”). The 1997 Access Undertaking remains in force until 30 June 1999. AGLGN is obligated under the terms of the 1997 Access Undertaking to submit to the Regulator by 31 December 1998 a proposal for a new Undertaking to apply after 30 June 1999.

On 14 August 1998 the NSW Government introduced the Gas Pipelines Access Law and the National Code as laws of New South Wales. However, there are certain derogations from the application of the Gas Pipelines Access Law and the National Code in respect to the 1997 Access Undertaking:

- (a) the 1997 Access Undertaking is taken to be an Access Arrangement in force under the National Code; and
- (b) the provisions of the NSW Code relating to content of an Access Arrangement (section 3), pricing principles (section 8) and transitional provisions (section 9) apply to the first review of the 1997 Access Undertaking (that is, this proposed Access Arrangement).

AGLGN Approach

This Access Arrangement is a review of the 1997 Access Undertaking and accordingly AGLGN has introduced each section with a brief explanation of the equivalent section in the 1997 Access Undertaking and the principles of the proposed revisions.

Although this Access Arrangement must comply with the provisions of the NSW Code in relation to content, pricing principles and transitional provisions, AGLGN has modelled this Access Arrangement on the requirements of the National Code (subject to the limitations imposed as a result of the application of the NSW Code provisions). This is designed to allow a seamless transition from this Access Arrangement to the next Access Arrangement which will comply solely with the National Code.

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 2 the terms and conditions applicable to the Reference Services.

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

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

Section 5: Trading Policy which allows for Bare Transfer, Substituted Transfer 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 on a transportation route to satisfy all Requests for Service on that route.

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

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

Section 9: Commencement and Review of the Access Arrangement sets out the commencement date of this Access Arrangement, the Revisions Submission Date and the Revisions Commencement Date.

SCHEDULES:

Schedule 1: Definitions and Interpretation

Schedule 2: General Terms and Conditions applying to Reference Services:

Schedule 2A — All Reference Services

Schedule 2B — Capacity Reservation Service, Managed Capacity Service and Throughput Service

Schedule 2C — Tariff Services

Schedule 2D — Operational Conditions

Schedule 3: Gas Quality Specification

Schedule 4: Request for Service

Schedule 5: Receipt Point Pressures

SECTION 1: SERVICES POLICY

Review of 1997 Access Undertaking

*The Services Policy under the 1997 Access Undertaking consisted of three **Reference Services** — that is three different and defined Services for which a Reference Tariff¹ had been determined. Those Reference Services were:*

- ***Transportation Service** — a basic transport service from the Receipt Point to the Delivery Point of the User.*
- ***Tradeable Capacity Service** — a transport service from the Receipt Point to the Delivery Point of the User, or to the Delivery Point of a Secondary Buyer. The User had the right to trade capacity with the Secondary Buyer without AGLGN's approval where conditions (such as being on the same transportation route) were met, and with AGLGN's approval where those conditions were not met.*
- ***Multiple Delivery Point Transportation Service** — a transport service from one Receipt Point to a number of Delivery Points for a single User. The User could nominate each Delivery Point as subject to the conditions applying to either a Transportation Service or a Tradeable Capacity Service.*

For each of the Reference Services, the User was entitled to the transportation of gas up to an agreed capacity (expressed as MDQ or Maximum Daily Quantity), and charges for transportation were dependent upon that capacity. Users were required to manage their MDQ reservation, both in terms of nominating MDQ and managing capacity use. Overrun charges were payable if the User withdrew more than the MDQ on any day.

*In addition to these Reference Services, AGLGN offered **Negotiated Services** relating to agreements negotiated to meet the needs of a User which differed from those in the Reference Services.*

Principles of Revisions

In response to a perceived need in the market, AGLGN will offer Reference Services which provide greater flexibility for Users. AGLGN will offer alternative Services to Delivery Points with annual consumption in excess of 10TJ which allow the User to either:

- *pay for Services on the basis of a reserved capacity specified by the User in its discretion, with charges for overruns; or*
- *pay for Services on the basis of a reserved capacity which is equal to or greater than the maximum daily withdrawal of gas at the Delivery Point in the previous 12 months, with no charges for overruns; or*
- *pay for Services on the basis of throughput, with no charges for overruns.*

¹ The 1997 Access Undertaking and NSW Code referred to these as “Reference Price Services” and “Reference Prices” respectively.

Effectively, AGLGN is offering Users the option of managing the capacity risk themselves through a capacity based service with potential liability for overrun charges, or having AGLGN manage that risk through a Service with a capacity reservation requirement which reflects this different risk profile.

In recognition of the difficulties in establishing an accurate MDQ for a Delivery Point with newly installed equipment or where daily metering history is not available, AGLGN is offering Users taking the Capacity Reservation Service a three month ‘window’ to identify the appropriate MDQ reservation by allowing Users to make an initial MDQ reservation and to increase that reservation to the appropriate level.

The Tradeable Capacity Service is replaced by the Trading Policy in Section 5.

AGLGN is offering a Reference Service for Tariff Delivery Points in anticipation of tariff customers becoming contestable. In order to assist suppliers to Tariff Customers to respond to competitive influences from substitute fuels, AGLGN may from time to time offer alternative prices to the Reference Tariffs established for the Tariff Service. Accordingly, AGLGN has included in the Tariff Service an Alternative Tariff Structure under which it may offer alternative tariffs for the Tariff Service. AGLGN does not intend to make additional profits from such offers, and therefore it is a condition of the Alternative Tariff Structure that the average tariff does not exceed the average of the Reference Tariffs established under this Access Arrangement for the Tariff Service. Acceptance of the Alternative Tariff Structure is totally within the discretion of Users.

SERVICES POLICY

Introduction

AGLGN’s Service Policy consists of five Reference Services and a Negotiated Service as follows:

- **Capacity Reservation Service** — transport service from the Receipt Point to a single Non-Tariff Delivery Point with charges determined on the basis of capacity reservation (\$ per GJ of MDQ) and charges payable for overruns.
- **Managed Capacity Service** — transport service from the Receipt Point to a single Non-Tariff Delivery Point with charges determined on the basis of capacity reservation (\$ per GJ of MDQ) and no charges payable for overruns. The MDQ must be equal to or greater than the maximum quantity of gas withdrawn at the Delivery Point on any Day in the previous 12 months.
- **Throughput Service** — transport service from the Receipt Point to a single Non-Tariff Delivery Point with charges determined on the basis of throughput (\$ per GJ of throughput), no charges payable for overruns and a minimum annual bill based on 10TJ per annum.
- **Multiple Delivery Point Service** — transport service from a Receipt Point to a number of Non-Tariff Delivery Points for a single User. The User must nominate each Delivery Point as subject to the conditions applying to a Capacity Reservation Service, a Managed Capacity Service or a Throughput Service.

- **Tariff Service** — transport service from the Receipt Point to one or more Tariff Delivery Points with charges determined on the basis of throughput.
- **Negotiated Service** — agreements negotiated to meet the needs of a User which differ from those in the Reference Services.

All Users of a Service will be required to enter into a Service Agreement specific to that User and that Service.

Availability of Reference Services

The Reference Services are available to System Users to transport gas as follows:

- (a) All Reference Services - to Delivery Points existing on the Network as at 1 July 1999;
- (b) Capacity Reservation Service, Managed Capacity Service and Throughput Service — to new Delivery Points served from facilities where the maximum allowable operating pressure is less than or equal to 1,050 kPa; and
- (c) Tariff Service — to new Delivery Points served from facilities where the maximum allowable operating pressure is less than or equal to 500 kPa.

1.1 Capacity Reservation Service

General

- The Capacity Reservation Service is available to any single Delivery Point where the Customer is reasonably expected to withdraw a quantity of gas exceeding 10TJ per Contract Year.
- AGLGN will receive gas at the Receipt Point, transport it through the Network and deliver it at the Delivery Point.

MDQ and MHQ

- Users will be required to specify a level of MHQ and MDQ which fairly reflects the maximum Hourly and Daily requirements at the Delivery Point, based on prior consumption where that information is available.
- AGLGN's maximum obligation to deliver gas to the Delivery Point is MHQ in any Hour and MDQ on any Day.
- Where:
 - new equipment is commissioned at a new or existing Delivery Point, or
 - daily metering has not been installed at a Delivery Point at the commencement of a Service Agreement

the User may increase the MDQ specified in the Service Agreement once. An increase to the MDQ must be made within three months of the later of the commencement date of the Service Agreement and the date on which daily metering data became available. An increase will be subject to the Queuing Policy. An increase in MDQ will be deemed to take effect from the commencement date of the Service Agreement.

Overruns

- An overrun will have occurred if withdrawals at the Delivery Point exceed the MHQ in any Hour or the MDQ on any Day. Overruns may be authorised or unauthorised.
- A charge will be payable in respect of an overrun on MDQ, and the User will be liable for damages in respect of an unauthorised overrun on MDQ or MHQ.

Metering

- Where technically and commercially feasible, AGLGN will provide a daily meter reading system at the Delivery Point.

- Where facilities exist quantities passing through the meter each Day will be recorded and telemetered to AGLGN daily and will be accessible by AGLGN, by the User and by other persons as permitted by the User.
- Where facilities do not exist for daily meter reading, meters will be read monthly.

Term

The term of the Service will be a minimum of one year and a maximum of two years from the commencement of the Service to the Delivery Point, as specified by the User at the time of entering into the Service Agreement.

Additional Capacity

Where a Delivery Point is served under a Capacity Reservation Service, any Service Agreement for additional capacity for that Delivery Point during the term of the Capacity Reservation Service Agreement must:

- have a term of at least one year, and
- have either the same commencement date or the same termination date as the existing tranche of capacity under the Capacity Reservation Service Agreement.

Terms and Conditions

General Terms and Conditions in Schedule 2A and 2B apply.

Charges Applicable under a Capacity Reservation Service

There are four categories of charges for a Capacity Reservation Service all of which are specified in Section 3:

- (a) General Charges:
 - (i) Charge for MDQ;
 - (ii) Transitional Charge; and
 - (iii) Meter Reading Charge.
- (b) Overrun Charges.
- (c) Gas Balancing Incentive Charges.
- (d) Charges relating to ancillary services.

1.2 Managed Capacity Service

General

- The Managed Capacity Service is available to any single Delivery Point where the Customer is reasonably expected to withdraw a quantity of gas exceeding 10TJ per Contract Year.
- AGLGN will receive gas at the Receipt Point, transport it through the Network and deliver it at the Delivery Point.
- The Managed Capacity Service is only available where the Delivery Point has had daily metering information available for Measuring Equipment at all Delivery Stations at the Delivery Point for a period in excess of one Year.

MDQ and MHQ

- Users will be required to establish a level of MHQ which reflects the maximum Hourly requirement at the Delivery Point, based on prior consumption where that information is available.
- Users will be required to specify a level of MDQ which reflects the maximum Daily requirement and is equal to or greater than the “previous maximum quantity” determined under the following paragraph.
- The “previous maximum quantity” will be the maximum quantity metered at the Delivery Point on any Day in the twelve months prior to the date on which the Managed Capacity Service commences.
- AGLGN’s maximum obligation to deliver gas to the Delivery Point is MHQ in any Hour, and MDQ on any Day.

Overruns

- An overrun will have occurred if withdrawals at the Delivery Point exceed the MHQ in any Hour or the MDQ on any Day. Overruns may be authorised or unauthorised.
- There will be no overrun charges payable for an overrun but the User will be responsible for damages incurred as a result of an Unauthorised Overrun on MHQ.

Meter

- Quantities passing through the meter each Day will be recorded and telemetered to AGLGN daily and will be accessible by AGLGN, by the User and by other persons as permitted by the User.

Term

The term will be one year from the commencement of the Service to the Delivery Point.

Terms and Conditions

General Terms and Conditions in Schedule 2A and 2B apply.

Charges Applicable under a Managed Capacity Service.

There are three categories of charges under a Capacity Service all of which are specified in Section 3.

- (a) General Charges:
 - (i) Charge for MDQ;
 - (ii) Transitional Charge; and
 - (iii) Meter Reading Charge.
- (b) Gas Balancing Incentive Charges.
- (c) Charges relating to ancillary services.

1.3 Throughput Service

General

- The Throughput Service is available to any single Delivery Point where the Customer is reasonably expected to withdraw a quantity of gas exceeding 10TJ per Contract Year.
- AGLGN will receive gas at the Receipt Point, transport it through the Network and deliver it at the Delivery Point.
- The Throughput Service is only available where all Services to the Delivery Point are Throughput Services.

MDQ and MHQ

- Users will be required to specify a level of MHQ and MDQ which fairly reflects the maximum Hourly and Daily requirements at the Delivery Point, based on prior consumption where that information is available.
- AGLGN's maximum obligation to deliver gas to the Delivery Point is MHQ in any Hour and MDQ on any Day.
- Where the User withdraws less than 10TJ of gas in any Contract Year, the User will pay for delivery of 10TJ of gas in that Contract Year (calculated on a pro-rata basis as if consumption had been equal in each Month during the Contract Year).

Overruns

- An overrun will have occurred if withdrawals at the Delivery Point exceed the MHQ in any Hour or the MDQ on any Day. Overruns may be authorised or unauthorised.
- There will be no overrun charges payable for an overrun, but the User will be responsible for damages incurred as a result of an Unauthorised Overrun on MHQ.

Meter

- Where technically and commercially feasible, AGLGN will provide a daily meter reading system at the Delivery Point.
- Where facilities exist Quantities passing through the meter each Day will be recorded and telemetered to AGLGN daily and will be accessible by AGLGN, by the User and by other persons as permitted by the User.
- Where facilities do not exist for daily meter reading, meters will be read monthly.

Term

The term will be one year from the commencement of the Service to the Delivery Point or such longer period as the User elects.

Terms and Conditions

General Terms and Conditions in Schedule 2A and 2B apply.

Charges Applicable under a Throughput Service

There are three categories of charges under a Throughput Service all of which are specified in Section 3:

- (a) General Charges:
 - (i) Throughput Charge;
 - (ii) Meter Reading Charge.
- (b) Gas Balancing Incentive Charges.
- (c) Charges relating to ancillary services.

1.4 Multiple Delivery Point Service

General

- The Multiple Delivery Point Service is available to any User which requires transportation of gas between a particular Receipt Point and multiple Delivery Points served through that Receipt Point, as an alternative to the User entering into separate Service Agreements in respect of each of those Delivery Points.
- Additional Delivery Points can be added to the Service Agreement at any time.
- The Delivery Points will be listed in a Schedule to the Service Agreement².
- Each Delivery Point will be identified as being either a Capacity Reservation Service Delivery Point, a Managed Capacity Service Delivery Point or a Throughput Service Delivery Point.

Term

The Service Agreement will remain in force for so long as there is a Delivery Point listed in the Schedule.

Terms and Conditions

The terms and conditions applying to each Delivery Point will be those applicable to the type of Service nominated for that Delivery Point.

² A single Delivery Point may appear in the Schedule more than once — for example, where there are two tranches of capacity for one Delivery Point.

1.5 Tariff Service

General

- The Tariff Service is available to any Delivery Point where the Customer is a reasonably expected to withdraw a quantity of gas less than 10TJ per Contract Year.
- AGLGN will receive Gas at the Receipt Point, transport it through the Network and deliver it at the Delivery Points.

MDQ and MHQ

- For any Delivery Point where the MHQ is expected to exceed 6m³/Hour, Users will be required to specify a level of MHQ which fairly reflects the maximum hourly requirement at the Delivery Point.
- AGLGN's maximum obligation to deliver gas to a Delivery Point is:
 - MHQ in any Hour, or
 - for a Delivery Point where there is no requirement to specify MHQ, as required up to a maximum of 6m³/Hour.

Meter Reading

AGLGN will read the meters as specified in Schedule 2C.

Terms and Conditions

General Terms and Conditions in Schedule 2A and 2C apply.

Charges Applicable under a Tariff Service

There are three categories of charges under a Tariff Service all of which are specified in Section 3:

(a) General Charges

- (i) Fixed Charge; and
- (ii) Throughput Charge.

(b) Gas Balancing Incentive Charges.

(c) Charges relating to ancillary services as provided in Schedule 2³.

³ For those ancillary charges relating to the introduction of contestability in the Tariff market, it is anticipated that rules will be developed by the Department of Energy, the Independent Pricing and Regulatory Tribunal or some other government entity to govern contestability in the tariff market and the transfer of Tariff Customers from one supplier to another. AGLGN will implement those rules when available, and the charges for services in relation to such transfers are set out in Section 3.

Alternative Tariff Structure

AGLGN may from time to time offer an Alternative Tariff Structure which Users may, in their complete discretion, accept or decline. If Users accept the Alternative Tariff Structure, that tariff structure will be substituted for the tariffs payable in the manner and for the period set out in the Alternative Tariff Structure.

Any Alternative Tariff Structure offered by AGLGN:

- (a) will be available to all Users or Prospective Users of the Tariff Service during the period for which the Alternative Tariff Structure is offered;
- (b) will be structured such that the average tariff under the Alternative Tariff Structure does not exceed the average Reference Tariff established under this Access Arrangement for the Tariff Service; and
- (c) may be conditional on all Users of the Tariff Service accepting the offer.

1.6 Negotiated Services

Where a Prospective User has specific needs which differ from those which would be satisfied by a 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 Pipelines Access Law and the National Code, unless the parties agree otherwise.

1.7 Access and Requests for Services

1.7.1 Reference Services and Negotiated Services where MHQ is expected to exceed 6m³/Hour

In order to obtain access to a Negotiated Service or a Reference Service where:

- (a) the MHQ is expected to exceed 6m³/Hour or
- (b) the Customer at a Tariff Delivery Point wishes to increase its consumption such that the quantity of gas withdrawn at the Delivery Point will exceed 6m³/Hour

a User or Prospective User will observe the following procedures:

- A Prospective User must lodge a Request and meet AGLGN's prudential requirements. A Request must include as a minimum the level of detail envisaged by Schedule 4.
- A Prospective User may have only one active Request for the same tranche of capacity to a particular Delivery Point.
- AGLGN 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 AGLGN first received the Request. Otherwise, the priority will depend on the date on which AGLGN receives the complete Request.
- AGLGN 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 AGLGN advising that capacity is available, the Prospective User has either entered into a Reference Service Agreement 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 will apply.

1.7.2 Reference Services and Negotiated Services where MHQ is expected to be less than 6m³/Hour

Where a User or Prospective User seeks a Negotiated Service or a Reference Service to a Delivery Point where the MHQ is expected to be less than 6m³/Hour, section 1.7.1 and the Queuing Policy will not apply. The User or Prospective User must request the Service, and AGLGN will respond to that request in accordance with the provisions of the AGA Customer Service Code or as otherwise agreed with the User or Prospective User. The obligation of

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.

AGLGN to comply with the AGA Customer Service Code is subject to the Prospective User performing any action or providing any information necessary to enable AGLGN to do so.

SECTION 2: TERMS AND CONDITIONS OF SERVICE

Review of 1997 Access Undertaking

Overruns — Users were required to nominate and pay for a level of MDQ sufficient to meet their needs, with provision for both authorised and unauthorised overruns to encourage reservation of the appropriate MDQ. To encourage Users to seek AGLGN's authorisation for overruns, overrun charges were larger for unauthorised than for authorised overruns. To encourage Users to minimise the number of overruns, there was an additional charge for any month where an overrun occurred on more than three days, and for any contract year in which an overrun occurred on more than nine days.

Gas Balancing — gas balancing arrangements were designed to both provide an incentive for Users to minimise their daily imbalances and ensure that, over time, each User supplied to the Network the same quantity of gas as it withdrew. These arrangements were not a source of revenue for AGLGN - any charges collected were redistributed among Users in a manner consistent with maintaining the incentive for Users to minimise their daily imbalances.

Principles of Revisions

General — the National Code has introduced a requirement that an Access Arrangement must include a description of the terms and conditions on which a Service Provider will supply each Reference Service.

Overruns — Overruns have been applied to MHQ in addition to MDQ. For the Capacity Reservation Service, amendments have been made to take account of a term other than one or two years, to delete the monthly charge where an overrun occurred on more than three days in a month, and to provide that the 20% increase in annual overrun charges takes effect from the 15th overrun rather than from the 12th overrun.

Nominations and Gas Balancing — AGLGN has consulted with Prospective Users and East Australia Pipelines Limited, the owner of the Moomba-Sydney Pipeline, about possible mechanisms for the co-ordination of nomination and balancing procedures between the Moomba-Sydney Pipeline and the AGLGN Network. There has been no consensus reached on the desirability of or necessity for such co-ordination, nor on any method which might facilitate this goal. In the absence of a coordinated approach, AGLGN will maintain its existing scheme which manages the Network in isolation through the nomination and gas balancing mechanisms. However, AGLGN is prepared to discuss further a co-ordinated approach with EAPL should the market indicate that this would be desirable.

The basic structure of the Gas Balancing provisions under the 1997 Access Undertaking has been retained, with two exceptions.

- (a) Given the current configuration of the Moomba-Sydney Pipeline, there are a number of small network sections upstream of Wilton which are maintained in balance for so long as Wilton is in balance. Accordingly, for certain Network Sections nominated by AGLGN, the Daily Imbalance is deemed to be zero. This mechanism will apply until AGLGN deems it necessary to apply the balancing arrangements to those Network Sections.
- (b) Changes necessary to incorporate the introduction of the Tariff Service.

The gas balancing provisions are expressed in simpler language than in the 1997 Access Undertaking. Terms in the 1997 Access Undertaking which have changed in this Access Arrangement are as follows:

Previous Term	Changed Term
<i>Target Input</i>	<i>Withdrawal minus Change in Quantity of Linepack</i>
<i>Quantity Withdrawn</i>	<i>Withdrawal</i>
<i>User's Allocated Share of Closing (end of Day) Inventory and User's Allocated Share of Opening (beginning of Day) Inventory</i>	<i>Change in Quantity of Linepack</i>
<i>User's Actual Input, User's Traded Input and Post Trading Input</i>	<i>Input</i>

TERMS AND CONDITIONS FOR THE PROVISION OF REFERENCE SERVICES

1. AGLGN will provide a Reference Service on the terms and conditions set out in its standard Service Agreement for that Reference Service from time to time.
2. The terms and conditions on which a Reference Service will be provided will include the matters in Schedule 2A, 2B and 2C referred to in the description of that Reference Service in Section 1.
3. Operational principles in relation to the curtailment of supply and connection of third party systems to the Network are set out in Schedule 2D.
4. AGLGN will not discriminate between Prospective Users in the provision of Services on the basis of:
 - (a) past transactions or relationships with AGLGN;
 - (b) the identity of the Prospective User;
 - (c) the fact that the Prospective User is a related party of AGLGN; or
 - (d) the source of the gas proposed to be transported, subject only to the gas meeting the Specifications.

SECTION 3 REFERENCE TARIFFS

Review of 1997 Access Undertaking

In the 1997 Access Undertaking, specific Reference Tariffs were determined in respect of each Delivery Point for Reference Services.

Transitional Charges were designed to eliminate the cross subsidy between classes of Users.

Principles of Revision

Reference Tariffs are determined for the Capacity Reservation Service and the Managed Capacity Service on the basis of postcode prices for Delivery Points utilising the Trunk Section rather than specific Delivery Point prices. This provides greater transparency for Users in determining a Reference Tariff for existing and proposed Delivery Points. For Delivery Points not utilising the Trunk Section, Reference Tariffs are distance based and incorporate a block structure, in order to provide transparency and ensure cost reflectivity whilst taking into account the bypass risk..

Due to the reduction in cost of capital which occurred during the period of the 1997 Access Undertaking, the level of revenue at which the cross subsidy is eliminated has reduced. Accordingly, a Transitional Charge is payable in respect of the Capacity Reservation Service and the Managed Capacity Service, during the transitional period until elimination of the remaining cross subsidy by 30 June 2002, as required by Section 9 of the NSW Code.

Reference Tariffs for the Throughput Service are based on the Reference Tariff payable by a User of a Tariff Service taking delivery of 20TJ per annum. It is anticipated that the Throughput Service will be taken by Users in special circumstances where there is a preference for a throughput tariff rather than a capacity based tariff, and accordingly a tariff comparable to the Reference Tariff for the Tariff Service is appropriate.

Reference Tariffs for the Tariff Service are consistent for all Users of the Service and are based on throughput.

REFERENCE TARIFFS

General Charges for Reference Services

General Charges: Capacity Reservation Service and Managed Capacity Service

The General Charges for the Capacity Reservation Service and the Managed Capacity Service are:

- (a) Charge for MDQ
- (b) Transitional Charge
- (c) Meter Reading Charge.

Charge for MDQ

The Charge for MDQ is the Annual Unit Charge for Capacity (“AUC”) multiplied by MDQ. The AUC will be determined differently for Delivery Points utilising the Trunk Section⁵ and for Delivery Points not utilising the Trunk Section.

Where a Service to a Delivery Point utilises any part of the Trunk Section, the AUC will be the total of a Trunk Unit Charge plus a Local Network Unit Charge. Where a Service to a Delivery Point does not utilise any part of the Trunk Section, the AUC will be the total of a Pressure Reduction Unit Charge plus a Local Network Unit Charge.

Charge for MDQ - Delivery Points utilising the Trunk Section

The AUC will be the total of a Trunk Unit Charge plus a Local Network Unit Charge.

The *Trunk Unit Charges* are :

<i>Trunk Unit Charges \$/GJ of MDQ per annum</i>			
TRUNK SECTION	Coastal		Southern
REGION	Sydney	Newcastle	Wollongong
Period ending 30 June 2004	35.832	167.551	43.677

The *Local Network Unit Charge* represents the User’s share of the costs associated with the local Network assets utilised in providing the Service to the Delivery Point.

To reflect this, the Local Network Unit Charge is different for each postcode in the Sydney, Newcastle and Wollongong Regions. Postcodes covering a large geographical area are further subdivided into suburbs.

The Local Network Unit Charges are:

Region	Postcode	Local Network Unit Charge (\$ /GJ of MDQ per annum) Period ending 30 June 2004
Sydney	2000	521.546
Sydney	2006	283.267
Sydney	2007	257.379
Sydney	2008	230.942
Sydney	2009	367.896
Sydney	2010	418.873
Sydney	2011	595.996
Sydney	2015	237.007
Sydney	2017	239.545

⁵ These are Delivery Points downstream of Wilton – i.e. in the Sydney, Newcastle and Wollongong regions.

Sydney	2018	256.315
Sydney	2019	202.470
Sydney	2020	216.990
Sydney	2028	1445.747
Sydney	2031	618.645
Sydney	2032	618.645
Sydney	2033	432.142
Sydney	2035	659.564
Sydney	2036	188.473
Sydney	2040	631.008
Sydney	2044	222.503
Sydney	2046	1305.802
Sydney	2050	230.898
Sydney	2061	1445.747
Sydney	2064	1445.747
Sydney	2065	1196.582
Sydney	2066	298.835
Sydney	2067	1004.557
Sydney	2070	1445.747
Sydney	2076	1445.747
Sydney	2077	1445.747
Sydney	2080	1445.747
Sydney	2095	1445.747
Sydney	2099	1445.747
Sydney	2100	1445.747
Sydney	2103	1445.747
Sydney	2109	732.201
Sydney	2111	426.114
Sydney	2112	992.904
Sydney	2113	732.201
Sydney	2115	1445.747
Sydney	2116	574.479
Sydney	2120	1445.747
Sydney	2122	360.456
Sydney	2128	1128.461
Sydney	2135	464.606
Sydney	2136	176.060
Sydney	2137	249.426
Sydney	2138	546.839
Sydney	2140	464.606
Sydney	2141	172.589
Sydney	2142	148.289
Sydney	2143	112.092
Sydney	2144	352.497
Sydney	2145	177.475
Sydney	2146	448.867
Sydney	2147	279.007
Sydney	2148	287.648

Sydney	2150	713.421
Sydney	2151	471.276
Sydney	2152	448.139
Sydney	2153	324.124
Sydney	2154	1445.747
Sydney	2155	1445.747
Sydney	2160	521.707
Sydney	2161	178.127
Sydney	2162	279.127
Sydney	2163	300.284
Sydney	2165	156.000
Sydney	2166	1426.758
Sydney	2170	301.216
Sydney	2173	301.216
Sydney	2190	348.653
Sydney	2194	637.214
Sydney	2196	376.402
Sydney	2199	623.320
Sydney	2200	804.256
Sydney	2204	198.634
Sydney	2205	306.187
Sydney	2208	364.766
Sydney	2211	506.527
Sydney	2212	528.827
Sydney	2214	768.517
Sydney	2216	629.922
Sydney	2217	289.545
Sydney	2220	1067.686
Sydney	2224	1445.747
Sydney	2228	1445.747
Sydney	2229	460.487
Sydney	2231	257.933
Sydney	2232	1445.747
Sydney	2560	1003.938
Sydney	2565	311.343
Sydney	2566	329.633
Sydney	2571	0
Sydney	2747	407.715
Sydney	2750	292.210
Sydney	2755	937.340
Sydney	2756	780.060
Sydney	2760	410.250
Sydney	2761	210.404
Sydney	2762	263.875
Sydney	2765	1445.747
Sydney	2766	104.588
Sydney	2767	36.284
Sydney	2777	1445.747

Sydney	2780	1445.747
Sydney	2782	1445.747
Sydney	2164-HP ⁶	83.400
Sydney	2164-S ⁷	330.125
Sydney	2164-WP ⁸	223.363
Sydney	2171-BC ⁹	400.962
Sydney	2171-CP ¹⁰	246.116
Sydney	Appin	110.611
Sydney	Maroota	580.602
Sydney	Sithe	41.447
Newcastle/Central Coast	2250	353.031
Newcastle/Central Coast	2259	574.506
Newcastle/Central Coast	2260	353.031
Newcastle/Central Coast	2261	440.485
Newcastle/Central Coast	2262	574.506
Newcastle/Central Coast	2284	238.335
Newcastle/Central Coast	2285	467.560
Newcastle/Central Coast	2290	1314.028
Newcastle/Central Coast	2298	209.026
Newcastle/Central Coast	2299	118.852
Newcastle/Central Coast	2300	1314.028
Newcastle/Central Coast	2303	226.474
Newcastle/Central Coast	2304	42.183
Newcastle/Central Coast	2305	105.749
Newcastle/Central Coast	2308	118.852
Newcastle/Central Coast	2314	1314.028
Newcastle/Central Coast	2320	427.190
Newcastle/Central Coast	2322	46.308
Newcastle/Central Coast	2323	114.887
Newcastle/Central Coast	2326	472.469
Newcastle/Central Coast	2327	359.566
Wollongong	2500	793.868
Wollongong	2502	107.445
Wollongong	2505	107.445
Wollongong	2516	801.540
Wollongong	2526	132.803
Wollongong	2527	1437.902

Note: Local Network Unit Charges have only been determined for locations which have existing Non-Tariff Delivery Points. Where a User seeks a Reference Service other than a Tariff Service for a Delivery Point utilising the Trunk Section where there is no Local

⁶ 2164 – HP :Horsley Park, Wallgrove

⁷ 2164 – S :Smithfield

⁸ 2164 – WP :Wetherill Park

⁹ 2171 – BC :Bringelly, Badgerys Creek

¹⁰ 2171 – CP :Cecil Park, Leppington

Network Unit Charge specified above, AGLGN will offer the Reference Service at a tariff calculated on a basis consistent with the method adopted in establishing the Reference Tariffs¹¹.

Charge for MDQ - Delivery Points not utilising the Trunk Section

The AUC will be a Pressure Reduction Unit Charge plus a Local Network Unit Charge.

The Pressure Reduction Unit Charge and the Local Network Unit Charge will be determined in relation to an adjusted MDQ (MDQ_c) calculated in accordance with the following formula:

$$MDQ_c = (f_1 \times MDQ_{block1} + f_2 \times MDQ_{block2} + f_3 \times MDQ_{block3})$$

The scaling factors for the MDQ blocks are:

MDQ Blocks		Factor
Block 1	First 200 GJ/Day	$f_1 = 1$
Block 2	Next 400 GJ/Day	$f_2 = 0.6$
Block 3	Additional GJ/Day	$f_3 = 0.4$

The *Pressure Reduction Unit Charge* (expressed as \$ /GJ of MDQ_c per annum) is 23.539.

The *Local Network Unit Charge* = Country Unit Charge x Distance

where:

Country Unit Charge (expressed as \$ /GJ of MDQ_c per annum/km) is 62.290;

Distance is the distance in kilometres from the relevant Pressure Reduction Station or the Trunk Receiving Station to the Delivery Point, rounded to the nearest 0.5km. For Delivery Points located within 0.5km of the Pressure Reduction Station or Trunk Receiving Station, Distance is 0.5km.

Transitional Charge

For Delivery Points existing at 1 October 1998, a Transitional Charge (expressed in \$/GJ of MDQ per annum) applies to the Reference Tariffs in Years 1, 2 and 3 of the Access Arrangement Period.

The Transitional Charge (C_y) for a particular Delivery Point for a particular period (y), is determined in accordance with the following formula:

$$C_y = \left(\frac{B_0 - ((AUC_4 \times MDQ) + S_4)}{MDQ} \right) \times F_y$$

¹¹ See Section 7 – Extensions/Expansions Policy

where

y = the period to which the calculation relates.
 For the Financial Year ending 30 June 2000, y equals 1
 For the Financial Year ending 30 June 2001, y equals 2
 For the Financial Year ending 30 June 2002, y equals 3

B₀ = the revenue attributable to the Delivery Point in the 1998/99 Financial Year based on contractual entitlements as at 1 October 1998.

AUC₄ = AUC in Year 4.

MDQ = MDQ for Delivery Points utilising the Trunk Section and MDQ_c for Delivery Points not utilising the Trunk Section

S₄ = Year 4 Meter Reading Charge for the Delivery Point (\$/annum)
 and:

	Delivery Points on Trunk Section	Delivery Points on other Network Sections
F ₁	0.8415	0.5017
F ₂	0.4800	0.2784
F ₃	0.2364	0.1290

Meter Reading Charge

Meter Reading Charges will be determined on the basis of the number of metering devices installed at the Delivery Point.

The Meter Reading Charges for all Non-Tariff Delivery Points are as follows:

Meter Reading Unit Charge (\$ /device)	
Period ending 30 June 2000	1,703
Period ending 30 June 2001	1,623
Period ending 30 June 2002	1,566
Period ending 30 June 2003	1,509
Period ending 30 June 2004	1,509

General Charges: Throughput Service

The General Charges for the Throughput Service are:

- (a) Throughput Charge
- (b) Meter Reading Charge.

Throughput Charge

The Throughput Charges are:

Throughput Charge (\$ / GJ)	
Period ending 30 June 2000	4.012
Period ending 30 June 2001	4.092
Period ending 30 June 2002	4.174
Period ending 30 June 2003	4.257
Period ending 30 June 2004	4.342

Meter Reading Charge

The Meter Reading Charge applicable to the Capacity Reservation Service and the Managed Capacity Service applies.

General Charges: Tariff Service

The General Charges for the Tariff Service are:

- (a) Throughput Charge
- (b) Fixed Charge.

Throughput Charge

The Throughput Charges for the Tariff Service for the 1999/2000 Financial Year are:

Block Size (GJ per month)	Block Size (GJ Per Qtr)	\$/GJ
First 1.25	First 3.75	8.124
Next 1.5	Next 4.5	5.803
Next 5.75	Next 17.25	6.172
Next 75	Next 225	6.414
Next 333.5	Next 1000.5	5.275
All additional	All additional	3.693

The Throughput Charge will be escalated in accordance with the Escalation Formula.

Fixed Charge

The Fixed Charges for the Tariff Service for the 1999/2000 Financial Year are \$5.63 per month or \$16.88 per quarter (\$67.52 per annum). The Fixed Charge will be escalated in accordance with the Escalation Formula.

Escalation Formula

With effect from 1 July 2000 and each year thereafter, the Throughput Charge and the Fixed Charge will be:

$$C_n = C_{n-1} \times \left[1 + \frac{CPI_{n-1} - CPI_{n-2}}{CPI_{n-2}} + z \right]$$

Where:

C_n means the escalated Throughput Charge or the Fixed Charge (as the case may be) in Year n.

C_{n-1} means the Throughput Charge or the Fixed Charge (as the case may be) in the Year n-1.

CPI means the Sydney Consumer Price Index published quarterly by the Australian Statistician. If the Australian Statistician ceases to publish the quarterly value of that Index, then CPI means the approximate quarterly value of another Index which AGLGN reasonably determines most closely approximates that Index.

CPI_{n-1} means the value of CPI last published before 30 June in the Year n-1.

CPI_{n-2} means the value of CPI published in the previous year in respect of the same quarter as that applying under CPI_{n-1}

Z means: For the Financial Year ending 30 June 2001, 2%
For the Financial Year ending 30 June 2002, 1%
For the Financial Year ending 30 June 2003, 1%, and
For the Financial Year ending 30 June 2004, 0%.

Overrun Charges: Capacity Reservation Service

- Overrun Charges are payable only in respect of overruns relating to MDQ in any Day.
- For each Day on which an overrun occurs, the User must pay an overrun charge calculated by multiplying the overrun quantity by $1/365$ if authorised, and $1.5/365$ if unauthorised, of the Annual Unit Charge for Capacity.
- In addition to the Daily overrun charge the User will also be liable to pay an annual overrun charge as follows:
 - (a) For overruns up to the Charge Number in the Period, the annual overrun charge will be nil.
 - (b) If the number of overruns in the Period is greater than the Charge Number, the annual overrun charge will be the time-weighted average Annual Unit Charge for Capacity¹² during the Period multiplied by the Relevant Quantity.
 - (c) The Relevant Quantity will be determined as follows:
 - (i) if the number of overrun Days during the Period is equal to the Charge Number plus one, the Relevant Quantity will be the daily overrun quantity which is third in the order of all daily overrun quantities for the Period when ranked from largest to smallest¹³;
 - (ii) if the number of overrun days is equal to the Charge Number plus two, then the Relevant Quantity will be the second in that ranking;
 - (iii) if the number of overrun days is equal to the Charge Number plus three, four or five, then the Relevant Quantity will be the largest daily overrun quantity; and
 - (iv) if the number of overrun days is equal to or greater than the Charge Number plus six, the Relevant Quantity will be 1.2 times the largest daily overrun quantity.
 - (d) **“Charge Number”** means:
 - (i) nine Days plus,
 - (ii) for each Month or part Month in excess of 12 Months but less than a whole Contract Year in the Period, an additional $\frac{3}{4}$ of a day, rounded up to the nearest whole number¹⁴.
 - (e) **“Period”** means a Contract Year plus the number of Months or part Months in the Term in excess of 12 Months but less than a whole Contract Year.

¹² Time-weighting is required to reflect the fact that the Annual Unit Charge for Capacity may change in the course of the Period.

¹³ For example, if the Charge Number was 12 and there were 13 overrun Days, with daily overrun quantities of 9, 3, 2, 8, 8, 6, 5, 3, 7, 6, 2, 4 and 5, then the ranking would be 9, 8, 8, 7, 6, 6, 5, 5, 4, 3, 3, 2, 2, and the Relevant Quantity would be 8.

¹⁴ For example, if the Term is 20 Months, the Charge Number is 15, being 9 plus $(8 \times \frac{3}{4})$. If the Term is 21 $\frac{1}{2}$ Months, the Charge Number is 17, being 9 plus $(10 \times \frac{3}{4}$ rounded up to the nearest whole number)

- Any charge payable by a User in respect of an overrun is payable in addition to, and not in substitution for, any other charge under the Service Agreement.
- Payment of overrun charges does not alter MDQ specified in the Service Agreement.

Gas Balancing Charges

Gas Balancing Charges are best understood in the context of the conditions relating to Gas Balancing, and accordingly are set out in Part 2 of Schedule 2A.

Charges for Ancillary Services

Request for Service \$50.00, plus \$50 per hour after the first hour

Special meter read \$40.00

Charge payable on transfer of a Delivery Point from one User to another User (payable by the new User) \$10.00

Disconnection Fee \$100.00

Imposts and other Statutory Charges

AGLGN has established the Reference Tariffs on the basis that the level of authorisation fees payable under the Gas Supply Act for 1999 will be \$3.2 million payable in March 1999, and thereafter will reflect the cost of regulation. Should the level of authorisation fee for 1999 be different from this amount, or in future years be calculated on a different basis, AGLGN will vary the Reference Tariffs to reflect the actual fee.

Otherwise AGLGN has established Reference Tariffs on the basis of government taxes, charges, levies impost and fees existing at 31 December 1998. Users will pay for any new or increased Imposts, and AGLGN will adjust Reference Tariffs to reflect reductions of Imposts.

In the event that legislation is passed which imposes a goods and services tax which affects Services or the cost of Services offered on the Network or which makes AGLGN liable for a taxation or similar liability, AGLGN will pass on to Users the amount of the tax or liability incurred by it. Where as the result of such legislation there is an identifiable reduction in the cost to AGLGN of goods or services, AGLGN will pass through to Users the benefit of that reduction. The amount of the reduction to Users will be supervised by the Australian Competition and Consumer Commission as provided under the Trade Practices Act 1974

Reference Tariffs after 30 June 2004

Where the Revisions Commencement Date is later than 30 June 2004, the Reference Tariff for the Transportation Services for the period between 30 June 2004 and the Revisions Commencement Date will be:

$$RT = RT_{2004} \times \left[1 + \frac{CPI_n - CPI_{n-1}}{CPI_{n-1}} \right]$$

Where:

RT₂₀₀₄ means the Reference Tariff for the Reference Service under in this Access Arrangement as at 30 June 2004.

CPI means the Sydney Consumer Price Index published quarterly by the Australian Statistician. If the Australian Statistician ceases to publish the quarterly value of that Index, then CPI means the approximate quarterly value of another Index which AGLGN reasonably determines most closely approximates that Index.

CPI_n means the value of CPI last published before 30 June 2004.

CPI_{n-1} means the value of CPI published in the previous year in respect of the same quarter as that applying under CPI_n.

Reference Tariffs after Revisions Commencement Date

Where the Term of a Service Agreement extends beyond the Revisions Commencement Date, the tariffs payable under the Service Agreement will be the Reference Tariff then payable for a comparable Service, or as otherwise agreed. In respect of a Throughput Service, should the parties fail to agree then the Reference Tariff payable for the Tariff Service will apply.

SECTION 4 REFERENCE TARIFF POLICY

Review of 1997 Access Undertaking

In accordance with the NSW Code, the 1997 Access Undertaking contained Reference Tariffs for the Reference Service. A description of the pricing principles and the process by which Reference Tariffs had been determined were set out in the Access Undertaking Information. The NSW Code did not require a Reference Tariff Policy, as required by the National Code.

Principle of Revisions

Consistent with the scheme of the National Code, AGLGN has included a Reference Tariff Policy in this Access Arrangement. However, the scheme of the National Code, whereby AGLGN is allowed to exercise some discretions in the Reference Tariff Policy, does not apply to this Access Arrangement. Accordingly AGLGN has included some of these matters as Fixed Principles, in order to obtain the outcomes anticipated by the National Code.

REFERENCE TARIFF POLICY

Description of Principles

1. Reference Tariffs have been determined using a “price path” approach. Price paths for contract (Non-Tariff) and Tariff market segments were determined that result in an acceptable return on capital within the Access Arrangement Period. A Current Cost Accounting approach to the asset base and depreciation with a real pre-tax WACC were applied to determine the price path.

The Initial Capital Base was redetermined as provided for under Section 9 of the NSW Code.

The revenues were allocated to the contract and Tariff segments to address a residual cross subsidy from the contract segment to the Tariff segment within the first 3 years of the Access Arrangement Period.

From the revenue pools for each market segment, prices were determined by allocating revenue to services based on the operating and capital cost components for each market segment and region.

Additional Matters

2. AGLGN may undertake New Facilities Investment that does not satisfy the requirements of the National Code for inclusion in the Capital Base.
3. An amount in respect of the balance after deducting the Recoverable Portion of the New Facilities Investment may subsequently be added to the Capital Base if at any time the type and volume of services provided using the increase in Capacity attributable to the New Facility change such that any part of the Speculative Investment Fund (as that term is defined of the National Code) would then satisfy the requirements in the National Code for inclusion in the Capital Base.

4. 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.
5. With effect from the commencement of the subsequent Access Arrangement Period, Redundant Capital will be removed from the Capital Base.
6. The Incentive Mechanism used in calculating the Reference Tariffs is that Reference Tariffs will apply during each year of the Access Arrangement Period regardless of whether the forecasts on which the Reference Tariffs were determined are realised.
7. The following principles are Fixed Principles:

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 subsequent Access Arrangement Period, Redundant Capital will be removed from the Capital Base.

SECTION 5 TRADING POLICY

Review of 1997 Access Undertaking

The 1997 Access Undertaking provided for trading by including in all Reference Services a right to Substituted Transfer (as defined in the NSW Code), and by offering the Tradeable Capacity Service.

Principles of Revisions

Under the NSW Code, where AGLGN offered one Service which included the Code requirements for a right to Bare Transfer and Substituted Transfer, and a right to change Delivery and Receipt Points, AGLGN was not required to include those rights in all Services.

Under the National Code, AGLGN is required to include in all Reference Services a right to Bare Transfer subject only to certain notification requirements, a right of transfer or assignment other than a Bare Transfer with consent, and a right to change the Delivery Point and Receipt Points with consent. While the language of the National Code and the NSW Code differ, the concepts of a “Bare Transfer” are the same in both Codes.

AGLGN will adopt the scheme of the National Code, and will incorporate those requirements into its Trading Policy. AGLGN will therefore not offer a tradeable capacity service as a Reference Service under this Access Arrangement.

TRADING POLICY

5.1 Bare Transfer

- The User may make a Bare Transfer¹⁵ to another person.
- Prior to utilising it, the transferee must notify AGLGN of the portion of the Contracted Capacity subject to the Bare Transfer and the nature of the Contracted Capacity subject to the Bare Transfer.

5.2 Substituted Transfer

- The User may effect a Substituted Transfer¹⁶ with the prior written consent of AGLGN which shall only be withheld on reasonable commercial or technical grounds, and which may be given subject to reasonable commercial and technical conditions.

¹⁵ **Bare Transfer** means a transfer or assignment of any interest in the right to obtain a Service (including, but without limitation, a sub-licence) in which the contract between AGLGN and the User remains in effect in terms identical to those existing between AGLGN and the User immediately prior to that transfer or assignment (NSW Code, Glossary).

¹⁶ **Substituted Transfer** under the NSW Code means a transfer or assignment of any interest in the User’s right to obtain a Service (including, but without limitation, an assignment) in which the contract between AGLGN and the User either does not remain in effect or remains in effect with terms not identical to those existing between AGLGN and the User immediately prior to that transfer or assignment (NSW Code, Glossary).

5.3 Change of Receipt Point or Delivery Point

- The User may change the Receipt Point and/or Delivery Point specified in a Service Agreement with the prior written consent of AGLGN which shall only be withheld on reasonable commercial or technical grounds, and which may be given subject to reasonable commercial and technical conditions.
- Consent will generally be given if:
 - (a) the proposed Receipt Point is downstream of the Receipt Point specified in the Service Agreement;
 - (b) the proposed Delivery Point is upstream of the Delivery Point specified in the Service Agreement; and
 - (c) the proposed Receipt Point and the proposed Delivery Point are both on the transportation route between the Receipt Point and Delivery Point specified in the Service Agreement.

SECTION 6 QUEUING POLICY

Review of 1997 Access Undertaking

The Queuing Policy in the 1997 Access Undertaking gave a detailed description of the order in which capacity would be allocated to Prospective Users where there is insufficient capacity on a transportation route to satisfy all Requests for Service on that route.

The process for access and the queuing policy provided an adequate service to Users.

Principles of Review

AGLGN has simplified the Queuing Policy.

Users seeking a Service for Delivery Points where the MHQ is expected to be less than 6m³/Hour will not be subject to the Queuing Policy. All other Users seeking Services must comply with the Queuing Policy.

The Queuing Policy has been amended to clarify the situation where capacity becomes available to meet the needs of any Prospective User on a queue, in which case it will be offered progressively to each Prospective User in order of priority, notwithstanding the fact that the capacity is insufficient to meet the needs of all Prospective Users on the queue.

QUEUING POLICY

6.1 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, AGLGN 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, AGLGN will provide revised information to the Prospective User.

6.2 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, AGLGN 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 AGLGN if it does not wish to proceed with a Request, which will then lapse.
- Any lapsed Request must 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 AGLGN'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 AGLGN or to meet AGLGN's prudential requirements.

6.3 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);
 - AGLGN 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 a Service Agreement (conditional if necessary on AGLGN entering into Service Agreements with other Prospective Users), failing which the Request will lapse or lose priority to those entering into such a Service Agreement (upon that Agreement becoming unconditional).

6.4 Priority of Prospective Users in Obtaining Services

- The priority date of a Request is the date a complete Request is received by AGL.
- Where AGLGN 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.

6.5 Compensation for Holding Capacity

- AGLGN may require the User to pay compensation for AGLGN agreeing to commence a Service more than 30 days from the execution of a Service Agreement where the commitment of capacity to meet the requirements of the User contributes to:
 - the continuation of a queue,
 - the formation of a queue at any time prior to the commencement date, or
 - the acceleration of investment by AGLGN to provide capacity for other Users on the transportation route.

6.6 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 Code.
- Where a queue exists a Prospective User must on request demonstrate to AGLGN 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.

SECTION 7 EXTENSIONS/EXPANSIONS POLICY

Review of 1997 Access Undertaking

The NSW Code did not require an Extensions/Expansions Policy.

Principles of Revision

The National Code requires that an Access Arrangement include a policy which sets out:

- (a) the method to be applied to determine whether any extension to, or expansion of the Capacity of the Network:
 - should be treated as part of the Network for all purposes under the Code; or*
 - should not be treated as part of the Network for any purpose under the Code.**
- (b) specify how any extension or expansion which is to be treated as part of the Network will affect Reference Tariffs;*
- (c) a description of the New Facilities and the conditions on which AGLGN will fund the New Facilities which AGLGN agrees to fund if certain conditions are met.*

Since the inclusion of such a policy is consistent with the provisions of the NSW Code, AGLGN has include an Extensions/Expansions Policy in this Access Arrangement.

EXTENSIONS/EXPANSIONS POLICY

1. Any extension or expansion carried out by AGLGN will be part of the Network. An extension includes any pipes laid in NSW in a distribution system owned and operated by AGLGN at any time during this Access Arrangement (where “distribution system” has the meaning given to it in the Gas Supply Act) other than in the Queanbeyan or Yarrowlumla Local Government Areas¹⁷.
2. No extension or expansion will affect Reference Tariffs.
3. AGLGN will offer Reference Services in respect of such extension or expansion at the Reference Tariffs and may require a Surcharge in respect of such Reference Services where a Surcharge is allowed under the National Code.
4. Where a User seeks a Capacity Reservation Service or a Managed Capacity Service in respect of an extension or expansion where there is no Local Network Unit Charge specified in Section 3 applicable to the Delivery Point, AGLGN will offer the Service at a tariff calculated on a basis consistent with the method adopted in establishing the Reference Tariffs.

¹⁷ Access to these distribution networks is provided under the Access Arrangement established under the Gas Pipeline Access (ACT) Act 1998.

SECTION 8 CAPACITY MANAGEMENT POLICY

The Network is a Contract Carriage Pipeline.

SECTION 9 COMMENCEMENT AND REVIEW OF ACCESS ARRANGEMENT

9.1 Commencement

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

9.2 Review Submission Date

AGLGN will submit revisions to this Access Arrangement to the Regulator on or before 30 November 2003.

9.3 Review Commencement Date

The revisions to this Access Arrangement will commence on the latter of 1 July 2004 and the date on which the approval by the Regulator of the revisions to the Access Arrangement takes effect under the National Code.

SCHEDULE 1: DEFINITIONS AND INTERPRETATIONS

Interpretation

The italicised words in each section under the headings “Review of 1997 Access Undertaking” and “Principles of Revision” do not form part of this Access Arrangement.

In interpreting a provision of this Access Arrangement, consideration should be given to the italicised words to confirm that the meaning of the provision is the ordinary meaning conveyed by the text, or to determine the meaning when the text is ambiguous or obscure, or the ordinary meaning conveyed by the text leads to a result that is manifestly absurd or unreasonable.

Definitions

Terms used in this Access Arrangement which are defined in the National Code have the meaning given to those terms in the National Code as at the date of commencement of this Access Arrangement.

“**AGLGN**” means the owner from time to time of the Network which at the date of this Access Arrangement is AGL Gas Networks Limited A.C.N. 003 004 322.

“**AGA Customer Service Code**” means AGA Natural Gas Customer Service Code (AG 755-1998).

“**Annual Unit Charge for Capacity**” means the price for MDQ expressed in dollars per GJ of MDQ per annum set out in Section 2.

“**Authorised Overrun**” means an overrun approved before the overrun occurs.

“**Business Day**” means any day which is not a Saturday, Sunday or a public holiday in New South Wales.

“**Capacity Reservation Service**” means the transportation service described in Section 1.1.

“**Contract Month**” means the period beginning at 6:30am on the first Day of a calendar month and ending at 6:30am on the first Day of the next succeeding calendar month. Where the commencement date for the provision of a Service to a Delivery Point is not the first Day of a calendar month, the first Contract Month in respect of that Delivery Point shall be the period beginning at 6:30am on the first Day on which the Service is to be provided and ending at 6:30am on the first Day of the next succeeding calendar month and conversely where the last Day for a Service is not the last Day of a calendar month.

“**Contract Year**” means period of 12 months commencing on the first Day of the Term (or the anniversary of that Day) for the Delivery Point.

“**Customer**” means the end consumer of Gas.

“**Day**” means a period of 24 consecutive hours beginning at 6.30am Australian Eastern Standard Time and “**Daily**” has a corresponding meaning. When referring to a particular Day, the date of the Day shall be the date on which that Day begins.

“**Delivery Point**” means a point at which gas is withdrawn from the Network.

“**Delivery Station**” means the facilities installed at a Delivery Point to enable delivery of gas from the Network including Measuring Equipment and which regulate the delivery and measure the quantity of gas withdrawn at that Delivery Point.

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

“Gas Pipelines Access Law” means the Gas Pipelines Access (NSW) Law 1998.

“Gas Supply Act” means the Gas Supply Act 1996 (NSW).

“Hour” means any period of 60 consecutive minutes.

“Impost” means any royalty (whether based on value, profit or otherwise), tax (other than a tax in the nature of an income tax or a capital gains tax or a goods and services tax) duty, excise, levy, fee, rate or charge imposed from time to time during the term of this Agreement by any government or any governmental, semi-governmental or other body authorised by law to impose that Impost on or to:

- (a) the Network (or any of its components);
- (b) the operation of the Network; or
- (c) the provision of Services by AGLGN.

“Linepack” means the total quantity of gas in a Network Section from time to time.

“Managed Capacity Service” means the transportation service described in Section 1.2.

“Maximum Daily Quantity” or **“MDQ”** means the maximum quantity of gas which AGLGN is obliged to transport and deliver to a particular Delivery Point on behalf of the User on any Day (excluding Overruns).

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

“Measuring Equipment” means all the equipment and facilities forming part of a Delivery Station or a Receipt Station required to measure the quantity of gas delivered to or at the Delivery Point or Receipt Point.

“Month” means calendar month.

“Multiple Delivery Point Service” means the transportation service described in Section 1.4.

“National Code” means the National Third Party Access Code for Natural Gas Pipelines Systems referred to in the Gas Pipelines Access Law.

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

“Network” means AGLGN's system of pipes and associated facilities including Receipt Stations, Delivery Stations and Measuring Equipment.

“Network Section” means the Trunk Section, or a country sub-network served by a particular Receipt Point.

“NSW Code” means the Third Party Access Code for Natural Gas Distribution Networks established by Ministerial Order on 18 April 1997 pursuant to Section 31 of the Gas Supply Act.

“Nomination” means the quantities of gas (in GJ) required to be delivered at each of the User's Delivery Point to or for the account of the User for each Day of a specified period.

“Non-Tariff Delivery Point” means any Delivery Point where the Customer is reasonably expected to take delivery of a quantity of gas exceeding 10TJ per Contract Year.

“Overrun” means the withdrawal of a quantity of gas in excess of the MHQ in any Hour or in excess of the MDQ on any Day.

“Receipt Point” means any point at which gas is received into Network.

“Receipt Station” means the facilities installed at a Receipt Point to enable receipt of gas from a User into the Network.

“Reference Service” means a Service described as a Reference Service in Section 1.

“Reference Service Agreement” means a Service Agreement in respect of a Reference Service or, where the context requires, any or all of those Services.

“Reference Tariff” means a tariff which relates to a Reference Service.

“Regulator” means the Independent Pricing and Regulatory Tribunal of New South Wales, or the Relevant Regulator under the Gas Pipelines Access Law.

“Request” means a Request for Service as described in Section 1.6.

“Service” means a service provided by AGLGN in relation to the Network including but not limited to Reference Services.

“Service Agreement” means a Reference Service Agreement or a Negotiated Service Agreement, or where the context requires, both.

“Specifications” means the specifications for gas in Schedule 3.

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

“System User” means a System User as that term is defined in the Gas Supply Act (or any other definition which supersedes that term which defines the eligibility of a person to obtain third party access to the Network).

“Tariff Customer” means a person who is reasonably expected to take delivery of less than 10TJ of gas per year.

“Tariff Delivery Point” means a Delivery Point at which the Customer is a Tariff Customer.

“Tariff Service” means the transportation service described in Section 1.5.

“Tariff User” means a User taking a Tariff Service.

“Term” means, unless otherwise agreed, the period specified in the Services Agreement for a Delivery Point.

“Throughput Service” means the transportation service described in Section 1.3

“Transitional Charge” means that element of the Reference Tariffs which recovers the transitional component determined by the Regulator as provided in Section 9 of the NSW Code.

“Trunk Section” means that part of the Network being the pipe system which extends from Wilton to the trunk receiving station (TRS) at Mount Keira and then to Springhill Road in Wollongong; and from Wilton to the TRS at Kooragang Island in Newcastle and supplying TRSs at Appin, Campbelltown, West Hoxton, Horsley Park, Plumpton, Windsor, Gosford, Warnervale, Wyong, and Hexham, and packaged off take stations (POTS) at Appin, Morisset, and Minmi and such other TRSs and POTS as may be installed from time to time.

For the purposes of gas balancing, the section of pipe from the Mount Keira TRS to Springhill Road in Wollongong shall not be deemed to be part of the Trunk Section.

“Unaccounted for Gas” means gas necessary to make up for gas lost or unaccounted for in the Network.

“Unauthorised Overrun” means an overrun which is not approved before it occurs.

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

SCHEDULE 2A: TERMS AND CONDITIONS APPLYING TO ALL REFERENCE SERVICES

PART 1 – GENERAL

Relationship between AGLGN and User

1. AGLGN will be entitled to require a User to:
 - (a) provide security for the performance of its obligations under a Service Agreement. Such security may be of such type and such extent as AGLGN reasonably determines;
 - (b) pay all amounts owing under a Service Agreement to continue to receive Services under that Service Agreement; and
 - (c) demonstrate its ability to meet all financial obligations under a Service Agreement.
2. AGLGN and Users will perform their obligations under Service 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

3. AGL's obligation to transport gas will consist of the receipt of gas at the Receipt Point and the delivery of a thermally equivalent quantity of gas at the Delivery Point.

Gas Pressure

4. The User will deliver gas at the Receipt Point within a pressure range set out in Schedule 5, or as nominated from time to time by AGLGN.

Daily Forecasts and Nominations

5. Each Day the User will provide AGLGN with a Nomination for each Network Section for each of the next three Days. Nominations will be made in good faith and be consistent with the quantities of gas which the User is entitled to have delivered to the Receipt Point.
6. Each Day the User will inform AGLGN of its gas requirements for the next Day ("**Nomination Day**") for each Network Section. This information will include the quantity which the User wishes to have delivered at the User's Delivery Points¹⁸ on that Day, and the quantity (if any) by which the User wishes to reduce its cumulative network imbalance for the Network Section.
7. AGLGN will advise the User of the quantity of gas which the User should deliver to the Receipt Point on the Nomination Day in order to enable AGLGN to satisfy the User's requirements.

¹⁸ Where a User takes gas at more than one Delivery Point on a Network Section, then the User will generally need to provide no more than its aggregate requirements for that section. However, specific details will be required for any Delivery Point which is a designated critical or high consumption Delivery Point.

8. The User will advise AGLGN of the quantity of gas which the User intends to deliver or have delivered to the Receipt Point on the Nomination Day (“**User’s Confirmed Nomination**” for the Nomination Day). If the User’s Confirmed Nomination is different from the Quantity advised by AGLGN, AGLGN will advise the User of the Quantity which AGLGN expects to deliver to the User on the Nomination Day on the basis that the User’s Daily Imbalance for the relevant Network Section is zero for that Day.

Unaccounted for Gas

9. AGLGN is responsible for gas while the gas is in its control. AGLGN will replace gas lost while in its control.

Metering

10. Withdrawals at Delivery Points will be metered. Where facilities exist, quantities passing through the meter each Day will be recorded and telemetered to AGLGN daily and will be accessible by AGLGN, the User and other persons as permitted by the User.
11. Where technically and commercially feasible, AGLGN will provide a daily meter reading system at the first Delivery Station at a Delivery Point with a yearly throughput of at least 10 TJ. Where there is no daily metering facility at a Delivery Point with a yearly throughput of at least 10 TJ, AGLGN will read meters monthly in accordance with the meter reading cycle adopted for that locality and class of Delivery Station.
12. The User will use reasonable endeavours to provide AGLGN with clear and safe access to each Delivery Point and Measuring Equipment. AGLGN may enter a Delivery Point to obtain access to Measuring Equipment.
13. If the User does not provide AGLGN with access to a Delivery Point or Measuring Equipment, AGLGN may estimate the quantity of gas withdrawn, cease providing the Service after 6 hours written notice, and/or relocate the Measuring Equipment at the User’s expense.
14. If Measuring Equipment fails 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.
15. The quantity of gas delivered at the Delivery Point will be a product of the volume and the average heating value declared for the Day for the Network Section which includes the Delivery Point or as otherwise agreed.
16. If the User requires more immediate metering information than the daily information which AGLGN will make available under Paragraph 11 above, the User may, at its expense, take information directly from the Measuring Equipment. Any connection made to the Measuring Equipment by the User must be made in accordance with the manufacturer’s specification, and must be made in such a way as not to interfere with the proper operation of the Network Measuring Equipment.

Allocation

17. 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 AGLGN. If no such methodologies or processes are established, AGLGN will be entitled to adopt a reasonable methodology such as pro-rating based on MDQ.
18. Where a Receipt Point is used by more than one User, the quantity of gas received into the Network each Day on behalf of the User will be the quantity determined as the “User’s Input” under the gas balancing arrangements in Part 2 of Schedule 2A.

Receipt Points and Receipt Stations

19. If one does not already exist, the User will ensure that there is a Receipt Station at any Receipt Point, immediately upstream of any connection to the Network.
20. Any such Receipt Station will comply with specifications approved by AGLGN and will conform to good engineering practice and industry standards. The Receipt Station will comprise a filtration and liquid separation system, gas quantity measurement facilities, a flow and pressure control system and, if AGLGN reasonably requires, gas quality measurement facilities.
21. AGLGN may, upon reasonable notice, operate the pressure and flow control facilities at any Receipt Station which is not owned by AGLGN.

Delivery Points and Delivery Stations

22. It is the intention that each Delivery Point will contain only one Delivery Station. AGLGN may in its discretion agree to a request from a User for an additional Delivery Station.
23. Delivery Stations will generally be owned by AGLGN except for some facilities which are not integral to the transportation of gas.
24. If a particular Customer’s site was connected to the Network as at the date of the 1997 Access Undertaking, and was being served at that time through more than one Delivery Station, then the Delivery Point may consist of any or all of those Delivery Stations.

Accounts and Payments

25. AGLGN may charge interest on amounts which are not paid within 14 days of the date of the account.

Force Majeure

26. Where an event of Force Majeure affects or prevents a party’s performance under a Service Agreement, the non-performance will not be a breach of the Service Agreement but the party affected by the Force Majeure must use reasonable endeavours to put itself in a position to perform its obligations.
27. An event of Force Majeure will not relieve a party from its obligations under a Service 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.

28. An event of Force Majeure will not relieve a party from any obligations under a Service Agreement unless promptly after becoming aware of the Force Majeure the party affected gives written notice to the other party.
29. If an event of Force Majeure continues to prevent a party from performing its obligations under the Service 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 Service Agreement. Both parties will be relieved of any future obligations but not relieved of obligations arising prior to termination.
30. Where there is a charge based on MDQ, and AGLGN is unable to perform its obligations under a Service Agreement due to an event of Force Majeure, the charge will be based on the highest quantity of gas available to be withdrawn during that period (up to MDQ) rather than MDQ.

Liabilities and Indemnities

31. Each party will be responsible and liable for the maintenance and operation of its properties and facilities under a Service Agreement, and indemnifies the others for any claim or action in respect of or arising out of them.
32. 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 Service Agreement.
33. Liability will be limited to actual damages except for:
 - (a) delivery of non-Specification gas to a Receipt Point;
 - (b) delivery of non-Specification gas to a Delivery Point due to the negligence or wilful default of AGLGN;
 - (c) failure by the User to cease delivery or taking of gas as required under the Service Agreement; or
 - (d) withdrawal at a Delivery Point of a quantity greater than MHQ in any Hour or a quantity greater than MDQ on any Day except as an Authorised Overrun.

Interruptions and Curtailments

34. The User must ensure that at all times AGLGN has accurate emergency contact information for the User and for the Customer at each Delivery Point.

Title to and responsibility for gas

35. The User will warrant that it has title to gas delivered at the Receipt Point.
36. AGLGN is entitled to co-mingle the gas in the Network.

Gas Quality

37. The User will deliver gas at the Receipt Points which meets the Specification and, subject to the User complying with this requirement, AGLGN will ensure that gas delivered at the User's Delivery Points meets the Specification.
38. AGLGN 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.
39. AGLGN may require the User to demonstrate that it has contractual arrangements in place to prevent gas which does not meet the Specification being delivered to a Receipt Point. AGLGN may require the User to provide facilities to enable AGLGN to monitor the quality of gas at any point where gas is introduced into the system of pipes through which it is delivered to a Receipt Point.

PART 2 - GAS BALANCING

40. The User is required to act in good faith to ensure that the quantity of gas delivered to each Network Section for or on behalf of the User on each Day is equal to the quantity withdrawn from the Network Section by the User on the Day, adjusted for any change in the User's allocated share of the inventory in the Network Section.

Consequence of Imbalance

41. Where an Imbalance exists, there are two consequences:
 - (a) the User shall pay a Gas Balancing Incentive Charge calculated as set out below; and
 - (b) in respect of a Cumulative Imbalance which at the end of a Month exceeds 10% of the average daily quantity withdrawn from that Network Section by or on behalf of the User during that Month, AGLGN may require the User to increase, limit or suspend deliveries of gas into, or withdrawals of gas from, the Network Section so as to return the User's Cumulative Imbalance to within that limit. If the User fails to do so, AGLGN may reduce the quantities of gas received, transported and delivered to or on behalf of the User.

CALCULATION OF IMBALANCE

42. The User's Daily Imbalance will be determined in relation to a Network Section.

The User's Daily Imbalance = Input minus Withdrawal minus Change in Quantity of Linepack.

Where there is only one User at a Receipt Point, the User's Daily Imbalance will be zero since the Input will equal the Withdrawal plus Change in Quantity of Linepack. Accordingly the Incentive Charge will be zero.

For Users at Receipt Points referred to in clause (c) under Input, the User's Daily Imbalance will be zero since the Input is deemed to equal the Withdrawal plus Change in Quantity of Linepack. Accordingly the Incentive Charge will be zero.

Input

The User's Input will be one of three amounts:

- (a) Where there is only one User at the Receipt Point, the User's Input will be the metered Quantity at the Receipt Point less any quantity acquired by AGLGN for Unaccounted for Gas.
- (b) Where there is more than one User at the Receipt Point on the Trunk Section and other Network Sections designated by AGLGN, the metered Quantity will be allocated to each User as follows:

Each User is deemed to have received their Confirmed Nomination, plus for certain Users, an allocated share of the difference between the total Confirmed Nominations of all Users for the Receipt Point and the metered quantity of gas received for Users at the Receipt Point (excluding any quantity acquired by AGLGN for Unaccounted for Gas), which will be determined as follows:

- (i) For each User, the difference between the User's Withdrawal adjusted for Change in Quantity of Linepack, and the User's Confirmed Nomination for the Day will be determined ("**Individual Difference**").
- (ii) The difference for the Day between the total measured input at the Receipt Point (less any quantity acquired by AGLGN for Unaccounted for Gas) and the aggregate of Confirmed Nominations for the Receipt Point will be determined ("**Aggregate Difference**").
- (iii) The Aggregate Difference will be allocated to all Users whose Individual Differences lie in the same direction (that is, are of the same sign either positive or negative) as the Aggregate Difference in proportion to their Individual Differences.
- (iv) The User's Input will be the Confirmed Nomination, plus the User's allocated proportion of the Aggregate Difference (if any).

Where a User trades gas relating to a particular Day, its Input for the Day will be adjusted to reflect the traded amount.

- (c) Where there is more than one User at the Receipt Point on any other Network Section, the Input for each User will be deemed to be the User's Withdrawal plus Change in Quantity of Linepack.

Withdrawal

The User's Withdrawal will be one of two amounts:

- (a) The Withdrawal will be the total quantity of gas measured on the Day at all of the User’s Delivery Points.
- (b) Where there is more than one User at a Delivery Point, the metered quantity will be allocated to each User in accordance with the methodology agreed by those Users, or if the Users fail to agree on a methodology, such methodology as AGLGN reasonably determines (such as pro-rata based on MDQ).

Change in Quantity of Linepack

Change in Quantity of Linepack is the User’s Target Linepack at the end of the Day minus the User’s Target Linepack at the end of the previous Day.

AGLGN will allocate to each User a Target Linepack as follows:

- Linepack for the Trunk Section will be allocated to each User in proportion to its MDQ (or where there is no MDQ defined in the Service Agreement, an amount determined by AGLGN after consultation with that User).
- In all other Network Sections the Target Linepack for a single designated User will be deemed to be equal to the Linepack in the Section, and the Target Linepack for each other User will be deemed to be zero.

Gas Balancing Incentive Charge

The User shall pay Gas Balancing Incentive Charges by applying the charging formula to the User’s Daily Imbalance.

- (a) The **Incentive Charge** is the amount determined by applying the formula set out in paragraph (c) to the User’s Daily Imbalance allocated as an absolute value to Tranches in accordance with the Table set out in paragraph (b).
- (b) The **absolute value of the User’s Daily Imbalance** will be allocated to Tranches in accordance with the following table:

ALLOCATION OF DAILY IMBALANCE TO TRANCHES		
Column 1	Column 2	Column 3
Tranche Number	Quantity allocated to Tranche (GJ)	Charge applicable to Quantity allocated to Tranche -- \$/GJ
1	The smaller of the first six Percentage Quotas and the entire Daily Imbalance	0.00
2	If any remaining, the smaller of the next five Percentage Quotas and the remainder.	0.20
3	If any remaining, the smaller of the next five Percentage Quotas and the remainder	0.45
4	If any remaining, the smaller of the next five Percentage Quotas and the remainder	0.60
5	Remainder if any.	0.75

“Percentage Quota” means a quantity of gas equal to the greatest of:

- (i) 1% of the User’s Input for the Day;
 - (ii) 1% of the sum of the User’s Withdrawal and Change in Quantity of Linepack for the Day; and
 - (iii) one sixth of the absolute value of the User’s Change in Quantity of Linepack for the Day.
- (c) The charge in respect of the User’s Daily Imbalance will be the sum over all Tranches, of the product, for each Tranche, of:
- (i) the quantity of gas allocated to the Tranche (Column 2); and
 - (ii) the charge applicable to that Tranche, either as specified in Column 3 of the Table, or such other charge as AGLGN determines with the approval of the Regulator and of which AGLGN has given at least one Month’s notice to the User.

Redistribution of Net Collections of Gas Balancing Incentive Charges

- All Users whose services utilise any part of the Trunk Section constitute one group of Users, and for Users whose services do not utilise any part of the Trunk Section, any two or more Users who share a common Receipt Point constitute a group.
- If the aggregate of the Gas Balancing Incentive Charges for a Day from a group of Users is an amount other than zero, then that amount will be distributed among that group of Users in proportion to the Users’ Inputs for the Day.
- AGLGN shall on a monthly basis credit the account of the User any amounts to be so distributed.

Procedures Relating to Gas Trading and Daily and Cumulative Imbalances

- The User may trade gas with other Users on such terms and conditions as they agree so as to reduce or eliminate Daily Imbalances they would otherwise have, provided that:
 - (a) the parties to a trade are both Users of the same Network Section;
 - (b) the gas traded must relate to the same Day for both parties;
 - (c) the parties to the trade must both advise AGLGN of the identity of the buyer and seller, the Day to which the trade relates, and the Quantity traded no later than:
 - (i) the fourth day of the month immediately following the month of the Day to which the trade relates; or
 - (ii) three days after AGLGN makes Inputs and Change in Quantity of Linepack information for the Day available to Users,

whichever occurs last.

- Within 24 hours of the end of each Day, AGLGN will determine the User’s Input and Change in Linepack on a provisional basis, and make them available to the User.

- AGLGN will calculate a cumulative imbalance during the term of the Service Agreement, calculated as the aggregate of each Daily Imbalance, adjusted for any trade of gas between the User and any other user of the Network Section which trade has been notified to AGLGN by both parties to the trade as applying to the User's cumulative imbalance (“**Cumulative Imbalance**”).
- The User will use its best endeavours to ensure that the Cumulative Imbalance for each Network Section at the end of each Month is no greater than 10% of the average daily quantity withdrawn from that Network Section by or on behalf of the User during that Month.
- If the User notifies AGLGN of a trade and neither the User nor the other party to the trade nominate the Day for which the trade is to have effect, or the notification is not given within the time specified for such notices, then AGLGN will allocate the traded quantity towards the parties' Cumulative Imbalances.

SECTION 2B: TERMS AND CONDITIONS APPLYING TO ALL REFERENCE SERVICES EXCEPT TARIFF REFERENCE SERVICE

MDQ and MHQ

1. At the commencement of a Service Agreement, the User will specify an MDQ for each Delivery Point that is to apply for the whole of the Term for that Delivery Point.
2. Except as an Authorised Overrun, AGLGN will not be obliged during any Day to deliver at any of the User's Delivery Points a quantity of gas greater than the MDQ for that Delivery Point, or MHQ in any Hour.

Accounts & Payments

3. AGLGN will render monthly accounts.

Option to Extend

4. If the User gives at least 4 weeks notice prior to the expiry of the Term, the User shall be entitled to continue to receive the Service to the Delivery Point;
 - (a) in respect of Capacity Reservation Services and Throughput Services, to a capacity not exceeding the MDQ and MHQ applying under the Service Agreement at the expiry of the Term
 - (b) in respect of Managed Capacity Service, for a capacity equal to the maximum quantity metered at the Delivery Point on any Day in the twelve months prior to the date on which the Service commences pursuant to the exercise of this option
 - (c) at the amounts payable under the Access Arrangement in force from time to time during such further term.

Overruns

5. An overrun will occur if withdrawals at a Delivery Point on the day exceed the MDQ for the Delivery Point or MHQ in any Hour.
6. An overrun approved before the event by AGLGN is an Authorised Overrun.
7. A User may request an Authorised Overrun on giving one Business Day's notice to AGLGN.
8. The User and AGLGN must agree the overrun quantity for MDQ and MHQ (such agreed Quantity is the "Authorised Overrun Quantity" in respect of each) and the Day or Days and/or Hour or Hours, on which the Authorised Overrun Quantity will be transported and/or delivered.
9. If the withdrawals at a Delivery Point:
 - (a) on a Day exceed the sum of the MDQ for the Delivery Point and any authorised Overrun Quantity for MDQ for the Day, or
 - (b) in any Hour exceed the MHQ and any Authorised Overrun Quantity for MHQ for the Hour

then an Unauthorised Overrun will have occurred and the excess will be an Unauthorised Overrun Quantity.

10. Users under a Throughput Service or a Managed Capacity Service are not liable to pay charges under Section 2 in respect of overruns.
11. Users taking a Managed Capacity Service or a Throughput Service may be liable for damages incurred as a result of an Unauthorised Overrun on MHQ, and Users taking a Capacity Reservation Service may be liable for damages incurred as a result of any Unauthorised Overrun.
12. Where a Delivery Point is served under two or more Service Agreements and an overrun occurs at the Delivery Point:
 - (a) an overrun will have occurred under each Service Agreement; and
 - (b) the overrun quantity will be apportioned to the Service Agreements proportionately according to MDQ.

SCHEDULE 2C: TERMS AND CONDITIONS APPLICABLE TO A TARIFF SERVICE

Term

1. The term of the Service Agreement will be from the Commencement Date until the date on which all Delivery Points have been deleted from the Schedule.

Delivery Points

2. The User will provide AGLGN with a list in an electronic or other agreed form nominating the Tariff Delivery Points to which the Tariff Service is to be provided.
3. The User may from time to time add Tariff Delivery Points to the List, in accordance with the access procedures set out Section 1.
4. The User may at any time delete a Tariff Delivery Point from the Service Agreement by giving at least three Business Days notice to AGLGN.

Meter Reading and Data Distribution

5. Where the quantity of gas delivered to a Tariff Delivery Point is expected to be greater than 1TJ per Year, AGLGN will read the meter(s) at the Delivery Point each 30 Days (plus or minus two Days).
6. Where the quantity is expected to be less than 1TJ per Year, AGLGN will read the meter(s) at the Delivery Point each 91 Days (plus or minus four Days). For specific Delivery Points, AGLGN and the User may agree that the meter will be read at different frequencies.
7. AGLGN will from time to time nominate a cycle in which meters at Tariff Delivery Points will be read. AGLGN will consult with the User prior to any change to the cycle and will not vary the reading cycle unreasonably or without giving reasonable notice.
8. The User may request AGLGN to vary AGLGN's reading cycle for any Delivery Point, and AGLGN will advise whether it agrees to such request and at what cost.
9. AGLGN will provide the User with details of the meters and meter readings in writing if so requested or otherwise in such format as AGLGN nominates, and will provide such details within seven Business Days of the date of reading the meter.

Measuring Equipment

10. AGLGN will own and maintain the Measuring Equipment at each Delivery Point, and will install all Measuring Equipment at a Delivery Point unless otherwise agreed.
11. AGLGN and the User will observe the provisions of the AGA Customer Service Code in relation to connection, disconnection and reconnection of Measuring Equipment.

12. The User shall use reasonable endeavours to provide AGLGN with clear and safe access to each Delivery Point and all Measuring Equipment.

Accounts and Payments

13. AGLGN will render invoices at a frequency agreed with the User.

Gas Balancing

14. Gas Balancing and the obligation to pay the Gas Balancing Incentive Charge described in Schedule 2A Part 2 apply, subject to the following.

15. Daily withdrawals will not be determined by direct measurement for all Tariff Users either collectively or individually¹⁹.

16. The aggregate quantity withdrawn from a Network Section on a day by Tariff Users will be determined by difference:

- “total withdrawals” from the Network Section on the Day being the total quantity input to that Network Section on the Day (excluding Unaccounted For Gas) and, in the case of the Trunk Section, minus any increase or plus any decrease in the Linepack in the Trunk Section over the Day;
- minus the aggregate quantity withdrawn on the Day through meters at non-Tariff Delivery Points on the Network Section with daily recording; and
- minus the aggregate quantity estimated by the Service Provider to have been withdrawn from the Network Section on the Day by non-Tariff Customers through meters without daily recording.

17. AGLGN will implement a tariff market daily load profiling system which will enable the daily allocation of tariff market volumes between multiple Tariff Users within a Network Section on the basis of deemed load profiles for individual Delivery Points. The Imbalance Charges will be determined for each Tariff User based on those allocations²⁰.

18. Prior to the operation of the system described in paragraph 17, AGLGN will determine the aggregate state of balance and the liability to pay balancing incentive charges, based on that aggregate position, for all Tariff Users. If there are two or more Tariff Users, and they have advised AGLGN that they have agreed as to the manner in which they will allocate the aggregate Input quantity and the aggregate balancing incentive charge among themselves, then AGLGN will allocate the Input quantity and the aggregate balancing incentive charge in accordance with that methodology. This allocation arrangement is only available where all such Users on the Network Section are parties to the agreement.

¹⁹ Given current technology, it is impracticable and/or unjustified to install daily recording and telemetering facilities at most Tariff Delivery Points.

²⁰ AGLGN expects this system to be operational by July 2000.

19. Where there is no allocation agreement to which all such Tariff Users on the Network Section are parties, AGLGN will allocate the aggregate quantity among all such Users in proportion to the number of Delivery Points at which gas is delivered to each, or according to such other method as AGLGN may determine from time to time
20. For the purposes of determining the Change in Quantity of Linepack, AGLGN will agree a quantity to be used as “MDQ” with Tariff Users.

SCHEDULE 2D: OPERATIONAL PRINCIPLES

CURTAILMENT OF SUPPLY

Policy

In the event of a gas supply reduction in a part of the Network, AGLGN will initiate a load shedding procedure to preserve the integrity of the Network and minimise the disruption to operations at Users' sites.

Load Shedding

Load shedding is defined as a controlled interruption or reduction in gas transportation required by conditions affecting the ability to transport natural gas.

Procedure

Load shedding is implemented on a priority ranking basis with the aim of achieving the maximum load reduction in the shortest time possible with minimal effect to any plant and/or production processes. This means that the load shedding begins with large Customers where the process is controllable and provides the required level of responsiveness.

Ranking and Priorities

Load shedding, will be implemented by AGLGN according to the following schedule of priorities:

Load Shedding Priority	Load Type
1	Interruptible Loads.
2	A Delivery Point which serves more than one Customer, and where no arrangement exists between AGLGN and the operator of the facilities beyond the Delivery Point for shedding loads served by those facilities.
3	Sites where gas is not used for production.
4	Sites where load is transferable to an alternative fuel.
5	Load that may be reduced without damage to product or plant.
6	Load that may be halted without damage to product or plant.
7	Load where halting will cause product damage.
8	Load where halting will cause plant damage.
9	Load not transferable to alternative fuel at hospital and essential service sites.
10	Tariff sites (Residential, Commercial and Industrial).

Priority will be determined by the usage specified in the Schedule to the Service Agreement, or if no usage is specified, by AGLGN.

Reconnection

Reconnection will be in reverse order to disconnection i.e. last off first on.

Emergency Contacts for Customers

Users must ensure that they advise AGLGN of emergency contacts for Customers at Non-Tariff Delivery Points and ensure that such contact details are current at all times.

Emergency Load Management Systems (ELMS)

Site and Network information is maintained through ELMS, in consultation with Users, and is used as the basis for the load shedding.

ELMS is the process of contacting Customer sites to notify them of an interruption to their gas supply as a result of a problem with the delivery of gas, and reconnecting them when delivery capability has been restored. All Users of the Network will be required to participate in and comply with the scheme.

ELMS is an AGLGN computer based system used as an aid in contacting and recontacting Customer sites in the event of a supply failure. Information on the ELMS system relating to a User is available to the User on request.

CONNECTION OF THIRD PARTY SYSTEMS TO THE NETWORK

A Prospective User may, provided it has the relevant authorisations and subject to the conditions set out below, construct and operate its own pipe or system of pipes from any agreed point on the Network. (It will be sufficient if a third party constructing or operating the system has complied with these provisions.)

Off take Point

The pipe or system of pipes installed by the Prospective User shall comply with the following requirements in order to ensure that the integrity, safety and operability of the Network is not compromised.

- (a) The location of the off take point on the Network will be agreed to by the Prospective User and AGLGN. AGLGN will only withhold its agreement to a location sought by a Prospective User on the basis of technical, operational or safety considerations.

- (b) The hot tap connection to connect the Prospective User's facilities to the Network will be designed and constructed in accordance with AGLGN's usual standards and requirements, including AS2885-1987, at the Prospective User's expense.

Equipment upstream of the Off Take Point

Isolation valves and metering equipment will be installed at the point of offtake from the Network, upstream of the offtake point. If the offtake point is on a Network Section where the Maximum Allowable Operating Pressure is above 1,050 kPa, the installation will include a remotely controlled isolation valve.

Facilities upstream of the offtake point will be installed, owned and operated by AGLGN at the reasonable cost of the Prospective User.

Delivery Point at the Off Take Point

The Delivery Point will be at the flange immediately downstream of the facilities described above. All facilities downstream of the Delivery Point will be the responsibility of the Prospective User.

Cathodic Protection of Facilities

The Prospective User must design, install, and operate, any cathodic protection system necessary to protect its facilities. Cathodic protection facilities must be installed in such a manner as to avoid any interference which may be detrimental to AGLGN's facilities and must be electrically isolated from AGLGN's facilities.

Load Shedding and Gas Balancing

The Prospective User will be subject to load shedding arrangements. The Prospective User must have facilities available to it to reduce or discontinue the withdrawal of gas if called upon to do so.

Unless, there is an agreement on load shedding between AGLGN and the Prospective User, the Prospective User will be subject to Load Shedding Priority 2.

The User also will participate in gas balancing arrangements.

Installation and Operation

In the interests of safety and ensuring the integrity of AGLGN's pre-existing facilities, a person who plans to install gas transportation facilities in the vicinity of those owned by AGLGN must cooperate with AGLGN 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 facilities of either of them.

Abandonment/Disconnection

In the event that facilities cease to be used to take gas at the offtake point then the person responsible for those facilities at that time will ensure (at its expense) that the facilities are disconnected and isolated from AGLGN's facilities. This requirement does not apply where the cessation of use is temporary.

Approvals and Indemnity

The person responsible for facilities connected to the Network will provide AGLGN 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 AGLGN against any claim of liability in relation to or arising out of those facilities.

SCHEDULE 3: GAS QUALITY SPECIFICATION

Parameter	Specification Limit	Permissible Variation²¹ (Notwithstanding the Specification Limit, a parameter may be within the range specified below, but for no more than two hours cumulatively in any 24 hours)
1 Heating Value	Minimum Daily Average 37.45 MJ/m ³	35.58 MJ/m ³ to 37.30 MJ/m ³
2 Wobbe Index	Min. 47.4 Max. 51.1	51.1 to 51.3
3 Water Dewpoint	Max. 0°C at 6,895 kPaG	0°C to 5°C
4 Hydrocarbon Dewpoint	Max. 10°C at 3,500 kPaG	10°C to 14°C November to February inclusive
5 Carbon Dioxide	Max. 3.0% v/v	3.0% to 4.0% v/v
6 Oxygen	Max. 0.1% v/v	Specification Limit must be met at all times
8 Total Sulphur ²²	Max. 23 mg/m ³	23 mg/m ³ to 35 mg/m ³
9 Mercaptan Sulphur ²³	Max. 4.6 mg/m ³	4.6 mg/m ³ to 7.0 mg/m ³
10 Hydrogen Sulphide	Max. 5.7 mg/m ³	5.7 mg/m ³ to 11.5 mg/m ³
11 Solid Matter and Liquids	Nil Permitted	Nil permitted
12 Temperature at Receipt Point	-5°C to 50°C	Specification Limit must be met at all times
13 Odorant	Odorant to be of a type approved by AGLP. Level of odorant to be 12 milligrams per cubic meter or such other level as AGLP may require.	Specification Limit must be met at all times

²¹ ²¹This variation is allowed at the Moomba Gas Plant, and not at the Receipt Point. The limits of variation take account of the distance between Moomba and the Receipt Point. Gas which is differently sourced will require a different Permissible Variation which will be subject to negotiation with AGLP.

²² Excluding odorant

²³ Excluding odorant

SCHEDULE 4

Request for Service Form

Sections 1, 2, 3, 4, and 5 must be completed for all Requests.

Sections 6 and 7 must be completed for additional capacity at an existing site.

Sections 6, 7, 8, and 9 must be completed for new delivery points.

1. PROSPECTIVE USER INFORMATION

Name of Prospective User

A.C.N.

Contact Officer

Position Title

Telephone

Fax

Customer Contact Details:

Name

Position Title

Telephone

Fax

2. RECEIPT POINT INFORMATION

Receipt Point Location

Entity supplying inlet gas

3. DELIVERY POINT INFORMATION

Delivery Point Business Name

A.C.N.

Delivery Point Street Address

Delivery Point is metres (N, S, E or W)
from (nearest cross Street)

Delivery Point is located on the (N, S, E or W) side of the Street.

4. TRANSPORTATION INFORMATION

Service Requested

Service Commencement Date

Duration of Service Agreement Sought

ANZIC code(s)
 Gas Applications
 AQ (GJ/yr) Annual Quantity
 MDQ (GJ/day) Maximum Daily Quantity
 MHQ (GJ/hr) Maximum Hourly Quantity

5. DELIVERY STATION PRESSURE

Delivery Station Pressure (kPa) —
 Metering pressure (1.38, 2.75, 7.0, 35, 100, if other please specify)

6. APPLIANCE & GAS LOAD INFORMATION

Appliance Type	Hourly Rate (MJ/hr)	Operating Capacity (%)	Hour/Day	Days/week	Weeks/year	Total Annual Quantity (TJ/yr)
Total						

Do any of these appliances have pilots or small flow rates? If so, which ones?

7. FUEL CONVERSION INFORMATION

(if applicable)
 Current Fuel Type
 Current Annual Consumption (GJ/yr)

8. DELIVERY STATION INFORMATION

If the customer requires other than a standard single run meter set, please specify:

Is the proposed meter set located indoors? Y/N
 Is a security compound required? Y/N

9. DELIVERY STATION LOCATION SKETCH

Please provide a sketch showing the proposed location of the meter set and the following:

- length of customer service (path valve to meter set);
- surface restoration from front boundary to meter set;
- any walls to be pierced or other obstacle, eg. stairs, retaining walls etc. to be negotiated;
- all buildings and any other permanent structures on the site;
- side and front building lines, and kerb line;
- bearing (north).

SCHEDULE 5 RECEIPT POINT PRESSURES

TRUNK MAIN									LOCAL GOVERNMENT AREAS					
RECEIPT AND SUPPLY POINTS														
	TRS Location	Max. Receipt Pressure (kPa)	Min. Receipt Pressure (kPa)	Min. Delivery Pressure at Inlet to TRS/POTS	POTS Location	Max. Receipt Pressure (kPa)	Min. Receipt Pressure (kPa)	Min. Delivery Pressure at Inlet to TRS/POTS						
Moomba – Young (EAPL)					West Wyalong	10,000	1,750	1,750	Bland					
Young – Lithgow (EAPL)	Cowra	10,000	1,750	1,750	Millthorpe	10,000	1,750	1,750	Cowra					
	Blayney	10,000	1,750	1,750					Blayney					
	Orange	10,000	1,750	1,750					Orange					
	Bathurst	10,000	1,750	1,750					Bathurst					
	Oberon Lithgow	10,000 10,000	1,750 1,750	1,750 1,750					Oberon Greater Lithgow Greater Lithgow					
	Young Cootamundra	7,000	1,750	1,750	June Coolamon Ganmain Narrandera	10,000 10,000 10,000 10,000	1,750 1,750 1,750 1,750	1,750 1,750 1,750 1,750	Young					
		3,500	1,750	1,750					Cootamundra					
		Rockdale	10,000	1,750					1,750	Leeton Murrami	10,000 10,000	1,750 1,750	1,750 1,750	June
														Coolamon
	Coolamon													
	Yoogali (Griffith)	10,000	1,750	1,750					Narrandera					
													Leeton Narrandera Griffith	

AGL Gas Networks – NSW Network

Young - Wilton (EAPL)	Goulburn Marulan	7,000	1,750	1,750	Boorowa Yass	7,000	1,750	1,750	Boorowa Yass Goulburn Mulwaree Wingecarribee Mittagong Wingecarribee Wingecarribee
		7,000	1,750	1,750		7,000	1,750	1,750	
	Mossvale Bowral	7,000	1,750	1,750	Sally's Corner	7,000	1,750	1,750	
		7,000	1,750	1,750		Bargo	7,000	1,750	
Wilton CTS		7,000	3,800	3,800					
Wilton-Wollongong (AGL)	Wollongong	7,000	3,800	1,750					Wollongong Shellharbour Kiama
Wilton-Horsley Park (AGL)	Appin	7,000	3,800	1,750	Appin	7,000	3,800	1,750	Wollondilly Sydney (see list)
	Campbelltown	7,000	3,800	1,750					
	West Hoxton	7,000	3,800	1,750					
Horsley Park-Plumpton (AGL)	Horsley Park	7,000	3,800	3,500					Sydney (see list)

AGL Gas Networks – NSW Network

Plumpton-Kooragang Island (AGL)	Plumpton	7,000	3,800	1,750	Maroota	7,000	3,800	1,750	Sydney (see list)				
	Windsor	7,000	3,800	1,750									
	Gosford	7,000	3,800	1,750	Warnervale	7,000	3,800	1,750	Gosford				
	Wyong	7,000	3,800	1,750					Wyong				
Hexham Kooragang Island	7,000 7,000	3,800 3,800	1,750 1,750	Morisset Minmi	7,000 7,000	3,800 3,800	1,750 1,750	Lake Macquarie Newcastle Maitland Cessnock Singleton Muswellbrook Port Stephens					
Marsden – Dubbo (AGLP)	Dubbo	10,000	1,750	1,750					Dubbo Wellington Forbes Parkes Narromine				
										Forbes	10,000	1,750	1,750
										Parkes	10,000	1,750	1,750
					Narromine	10,000	1,750	1,750					
Wagga Wagga - Albury (EAPL)									Culcairn Holbrook				
									Henty (proposed)	10,000	1,750	1,750	Culcairn
									Walla Walla (proposed)	10,000	1,750	1,750	Culcairn

AGL Gas Networks – NSW Network

Plumpton-Kooragang Island (AGL)	Plumpton	7,000	3,800	1,750	Maroota	7,000	3,800	1,750	Sydney (see list)				
	Windsor	7,000	3,800	1,750									
	Gosford	7,000	3,800	1,750	Warnervale	7,000	3,800	1,750	Gosford				
	Wyong	7,000	3,800	1,750					Wyong				
	Hexham Kooragang Island	7,000 7,000	3,800 3,800	1,750 1,750	Morisset Minmi	7,000 7,000	3,800 3,800	1,750 1,750	Lake Macquarie Newcastle Maitland Cessnock Singleton Muswellbrook Port Stephens				
Marsden – Dubbo (AGLP)	Dubbo	10,000	1,750	1,750	Forbes Parkes Narromine	10,000 10,000 10,000	1,750 1,750 1,750	1,750 1,750 1,750	Dubbo Wellington Forbes Parkes Narromine				
Wagga Wagga - Albury (EAPL)									Culcairn	10,000	1,750	1,750	Culcairn Holbrook
									Henty (proposed)	10,000	1,750	1,750	Culcairn
					Walla Walla (proposed)	10,000	1,750	1,750	Culcairn				

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