

# GAS PIPELINES VICTORIA

## USER ACCESS GUIDE

January 2018

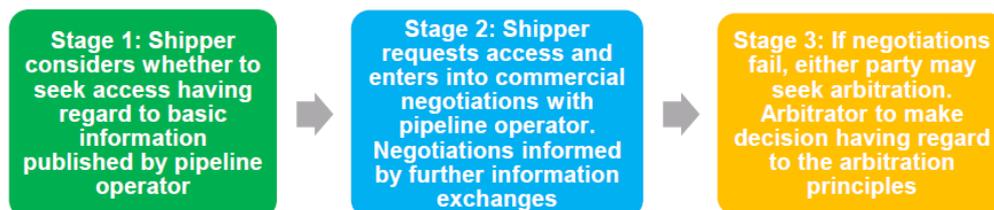
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### A INTRODUCTION

- 1 This User Access Guide is published by Gas Pipelines Victoria Pty Ltd (**GPV**) (ABN 83 079 003 099) pursuant to rule 558 of the National Gas Rules (**NGR**).
- 2 GPV owns and operates the Carisbrook to Horsham gas pipeline (Licence number 179) (**GPV Pipeline**), which is a non-scheme pipeline under the NGR. The GPV Pipeline is located in Central Western Victoria and is a gas transmission pipeline between Carisbrook and Horsham along a route roughly defined by the towns of Talbot, Amphitheatre, Elmhurst, Stawell and Horsham. A map of the GPV Pipeline is available at [http://gpvic.com.au/pipeline\\_map.html](http://gpvic.com.au/pipeline_map.html).
- 3 GPV is wholly beneficially owned by the Energy Infrastructure Trust, which is managed by Infrastructure Capital Group Limited (ABN 85 094 815 513) (an infrastructure management firm).
- 4 The purpose of this guide is to provide prospective users with information about the process for applying to GPV for access to the GPV Pipeline. The Australian Energy Regulator (**AER**) has summarised the general framework relating to access to non-scheme pipelines as follows:

**Figure - AER summary of framework**



*Source: AER, Non-Scheme Pipeline Arbitration Guide - National Gas Law and Rules Version 1 -*

- 5 In relation to Stage 1, GPV notes that it has a Category 2 exemption from the AER under Part 23 of the NGR, which exempts GPV from the information disclosure provisions under Division 2 of Part 23 of the NGR.

## **B SERVICE PROVIDER AND CONTACT DETAILS**

- 6 GPV is the service provider for the GPV Pipeline.
- 7 The contact details for the officer of GPV to whom preliminary enquiries and access requests can be sent are as follows:

Officer: James Arthur, Director, Gas Pipelines Victoria Pty Ltd

Street address: Suite 3, Level 38, 120 Collins Street, Melbourne VIC 3000

Postal address: Suite 3, Level 38, 120 Collins Street, Melbourne VIC 3000

Telephone number: +61 3 8680 3535

Fax number: +61 3 8680 3555

Website address: <http://gpvic.com.au/index.html>

Email address: james.arthur@infrastructurecapital.com.au

## **C ACCESS REQUESTS**

- 8 This section sets out the process for making an access request, the information to be included with the access request and response times, and arrangements for further investigations in relation to an access request.

### **Preliminary enquiries**

- 9 A prospective user may make a preliminary enquiry to GPV about access to a pipeline service on the GPV Pipeline by contacting the GPV contact person listed in Section B above.

### **Access requests**

- 10 A prospective user may also make an access request to GPV (whether or not it has made a preliminary enquiry). An access request must be in writing and include the following information:
- 10.1 The name of the prospective user and company ABN/ACN.
  - 10.2 Contact details for the prospective user (contact person name and position, phone number, email address, physical address and postal address).
  - 10.3 The credit rating of the prospective user (if applicable) or details of the prospective user's ability to provide a suitable bank guarantee, letter of credit or

some other form of prudential assurance from an entity, with a minimum of Standard & Poor's (or equivalent) credit rating BBB-.

- 10.4 A description of the pipeline service requested, including:
  - 10.4.1 The time or times when each pipeline service will be required and the capacity that is to be utilised;
  - 10.4.2 The receipt and delivery points where the prospective user is seeking access; and
  - 10.4.3 Relevant technical details for any new interconnection to the pipeline.
- 10.5 The details relating to the pipeline service requested as set out in Appendix 1 to this guide.
- 11 GPV will let a prospective user know within 5 business days of receiving an access request if further information is required to complete the access request.
- 12 A prospective user may amend the details of the access sought in an access request if GPV consents to such amendment (which must not be unreasonably withheld and may be subject to reaching agreement on a reasonable extension to the period for GPV to make an access offer).

#### **Further investigations**

- 13 If GPV considers that it needs to undertake further investigations in relation to an access request, GPV will notify the prospective user within 10 business days after receipt of the access request or the receipt of any further information requested.
- 14 GPV will carry out any further investigations expeditiously and will negotiate in good faith with the prospective user about the terms and conditions on which the further investigations will be carried out (including in respect of the costs to be paid by the prospective user and the extension of the time period for making an access offer).
- 15 As required under the NGR, GPV will only undertake further investigations in relation to an access request when and to the extent reasonably necessary.

#### **D ACCESS OFFERS**

- 16 This section describes the process that GPV will follow for preparing an access offer.
- 17 GPV will prepare and make an access offer in accordance with rule 560 of the NGR. In certain circumstances, GPV may not be required to make an access offer. GPV is not required to make an access offer if:
  - 17.1 the prospective user withdraws its access request;
  - 17.2 the provision of the pipeline service requested by the prospective user would require the extension of the GPV Pipeline; or
  - 17.3 GPV concludes that it is not technically feasible or consistent with the safe and reliable operation of the GPV Pipeline to provide the pipeline service requested

by the prospective user, having used all reasonable efforts to accommodate the reasonable requirements of the prospective user. If this is the case, GPV will provide written reasons explaining why the requested pipeline service cannot be provided and, if there is some prospect that it will become possible to provide the pipeline service in the future, details of when the requested service is likely to become available.

- 18 If GPV is required to make an access offer, GPV will make the offer in the time period agreed with the prospective user. If no time is agreed, GPV will make an access offer by no later than:
  - 18.1 If no further investigations in relation to the prospective user's access request are needed - 20 business days after receiving the prospective user's access request or (if applicable) after receiving any further information requested by GPV.
  - 18.2 If further investigations in relation to the prospective user's access request are needed - 60 business days after receiving the prospective user's access request or (if applicable) after receiving any further information requested by GPV.
- 19 An access offer made by GPV will:
  - 19.1 set out the price and other terms and conditions on which GPV offers to make the pipeline service requested in the access request available to the prospective user;
  - 19.2 contain the details of any works to be undertaken by GPV and the prospective user and any applicable technical and performance specifications; and
  - 19.3 be in a form capable of acceptance by the prospective user so as to constitute a new access contract or form part of an existing access contract.

## **E NEGOTIATIONS**

- 20 This section describes the process for a prospective user to request negotiations under Part 23 of the NGR in relation to an access offer and the arrangements for the exchange of information during such negotiations.

### **Requesting negotiations**

- 21 A prospective user who has made an access request to GPV may request negotiations under Part 23 of the NGR. A request for negotiations may be made by providing notice to GPV through the contact person listed in Section B above. The notice must provide particulars of the aspect of access in respect of which negotiations are requested.
- 22 Negotiations may relate to any aspect of access to a pipeline service, including whether access can be granted and the price and other terms and conditions of an access offer. However, the negotiation framework set out in Part 23 of the NGR does not apply to matters excluded from reference to arbitration under Chapter 6A of the National Gas Law (NGL) and Part 23 of the NGR. Rule 563(2) sets out matters excluded from reference to arbitration, which include a dispute about a pipeline service provided under an existing access contract and an access request that would require the extension of the GPV Pipeline.

- 23 The NGR require that each party to negotiations seek to accommodate all reasonable requirements of the other parties to the negotiations regarding the timetable for negotiations (rule 561(5) of the NGR).

### **Obligation to negotiate in good faith**

- 24 Pursuant to section 216G of the NGL, a prospective user or user seeking access to a pipeline service provided or to be provided by means of the GPV Pipeline (or by part of the GPV Pipeline or by an extension to, or expansion of the capacity of, the GPV Pipeline) and GPV must negotiate in good faith with each other about whether access can be granted and, if so, the terms and conditions for the provision of access to the prospective user/user.

### **Exchange of information during negotiations**

- 25 Rule 562 of the NGR sets out arrangements for the exchange of information during access negotiations.

#### *Access offer information*

- 26 A prospective user who is a party to negotiations with GPV under Part 23 of the NGR may, by notice, request GPV to provide 'access offer information' in relation to any aspect of the matters being negotiated. 'Access offer information' means information relevant to the principles and other matters in rule 569 of the NGR (which sets out matters, such as pricing principles, that an arbitrator will have regard to in determining access disputes). Access offer information includes information about the method used to determine the price in an access offer and the inputs used in the calculation of the price, and information regarding the costs associated with the provision of a pipeline service sought by a prospective user.
- 27 If GPV receives a notice requesting access offer information, GPV will respond to the request within 15 business days or any longer period agreed by the prospective user. In responding to a request, there is certain information that GPV will not be required to provide, specifically:
- 27.1 If providing the information would breach a confidentiality obligation owed in respect of that information to an unrelated third party and the third party has not given consent to the disclosure despite reasonable efforts having been made to obtain that consent.
- 27.2 Information that is the subject of legal professional privilege or documents that would disclose information subject to legal professional privilege.
- 28 Access offer information provided by GPV in response to a request will comply with the access information standard in rule 551(2) of the NGR, be relevant to the subject matter of the request and be in a readily readable form.

#### *Access negotiation information*

- 29 Parties to the negotiation may also, by notice, request another party to the negotiations provide 'access negotiation information'. 'Access negotiation information' means access offer information of the party and any other information that the party may seek to rely on for the determination of an access dispute in relation to the subject matter of the negotiations (including information prepared for the party such as expert reports and consultant reports, data sets, models and other documents or materials).

- 30 Access negotiation information is required to be provided within 15 days of the request for the information or any longer period agreed by the party making the request. The types of information listed in paragraphs 27.1 and 27.2 are not required to be provided in response to a request for access negotiation information.
- 31 The NGR require that each party to the negotiations, in requesting or providing access negotiation information, do so in a manner and at a time consistent with the duty of the party to negotiate in good faith.
- 32 The NGR also provide that a party to negotiations under Part 23 must give a notice under rule 562(5)(b) (requesting all access negotiation information of the other party) before issuing an access dispute notice in relation to the subject matter of the negotiations and must not issue an access dispute notice earlier than 15 business days after the notice under rule 562(5)(b) is given.

## **F REFERRAL OF ACCESS DISPUTES TO ARBITRATION**

- 33 If a prospective user and GPV cannot agree about one or more aspects of access after an access request has been made in accordance with the NGR, either party may notify the scheme administrator (the AER) that an access dispute exists under section 216H of the NGL, unless the dispute relates to a matter excluded from arbitration under the NGR. An access dispute notice must comply with the requirements for an access dispute notice set out in rule 564 of the NGR, and be accompanied by the fee (if any) set by the AER.
- 34 The dispute will be referred to arbitration if such notification of an access dispute is provided to the AER (section 216J of the NGL). The AER is required to refer an access dispute to arbitration no later than 15 business days after receipt of the access dispute notice, applying the procedures in rule 565 of the NGR.
- 35 For further information about the arbitration process, see Chapter 6A of the NGL, Part 23 of the NGR and the AER's *Non-Scheme Pipeline Arbitration Guide - National Gas Law and Rules Version 1* dated September 2017 (available at <https://www.aer.gov.au/system/files/AER%20Non-scheme%20Pipeline%20Arbitration%20Guide%20-%20September%202017.pdf>).

## **G CONFIDENTIAL INFORMATION**

- 36 GPV will deal with and use confidential information exchanged between GPV and a prospective user in accordance with a confidentiality agreement acceptable to GPV to be entered into with the prospective user. The form of confidentiality agreement can be provided to a prospective user on request.
- 37 GPV also notes that rule 561(8) of the NGR sets out restrictions on the use and reproduction of confidential information by parties to negotiations under Part 23 of the NGR. It provides that a party to negotiations must only use or reproduce confidential information of another party for the purpose for which it was disclosed and must not disclose the confidential information except:
- 37.1 to the scheme administrator (AER) in an access dispute notice;
- 37.2 to the arbitrator in the course of an arbitration;

- 37.3 with the consent of the other party;
- 37.4 to a professional or other adviser of the party who agrees with the party to maintain the confidentiality of the confidential information;
- 37.5 if it is required by, or necessary for the purposes of, the NGR or the NGL;
- 37.6 if the disclosure is in accordance with an order made or a subpoena issued by a court of competent jurisdiction; or
- 37.7 if the disclosure is authorised or required by a law of a participating jurisdiction or required by a competent regulatory body, and the person making the disclosure gives written details of the disclosure (including an explanation of the reasons for the disclosure) to the other party.

**APPENDIX 1 - DETAILS TO BE INCLUDED IN ACCESS REQUEST**

**PURPOSE AND NATURE OF LOAD**

		Details
<b>Power Station</b>	<b>YES/NO</b>	
<b>Industrial</b>	<b>YES/NO</b>	
<b>Domestic</b>	<b>YES/NO</b>	
<b>Constant</b>	<b>YES/NO</b>	
<b>Cyclic</b>	<b>YES/NO</b>	

**LOAD PARAMETERS**

Parameter	Units	Details
<b>Annual Flow</b>	<b>TJ/yr</b>	
<b>Average Flow</b>	<b>TJ/d</b>	
<b>Minimum Flow</b>	<b>TJ/d</b>	
<b>Max Daily Flow (MDQ)</b>	<b>TJ/d</b>	
<b>Max Hourly Flow (MHQ)</b>	<b>TJ/hr</b>	
<b>Max Instantaneous Flow</b>	<b>TJ/hr</b>	
<b>Typical Weekly Profile</b>		<b>Please attach graphically if possible</b>
<b>Typical Daily Profile</b>		<b>Please attach graphically if possible</b>
<b>Typical Hourly Profile</b>		<b>Please attach graphically if possible</b>
<b>Future Growth Flow</b>	<b>TJ/yr</b>	
<b>Future Daily Flow MDQ</b>	<b>TJ/d</b>	
<b>Future Peak Daily Flow</b>	<b>TJ/d</b>	
<b>Min delivery temperature required</b>	<b>°C</b>	
<b>Max delivery temperature required</b>	<b>°C</b>	

<b>Minimum receipt pressure</b>	<b>kPag</b>	
<b>Maximum receipt pressure</b>	<b>kPag</b>	
<b>Required Delivery Pressure</b>	<b>kPag</b>	
<b>Gas Specification - conforms with AS4564</b>		<b>YES/NO</b>

**IF A NEW RECEIPT OR DELIVERY POINT IS REQUIRED**

<b>Parameter</b>	<b>Details</b>
<b>Gas receipt location</b>	
<b>Gas delivery location</b>	
<b>Provide for Redundant Regulation</b>	<b>YES/NO</b>
<b>Feed line to Gas Delivery Point Required?</b>	<b>YES/NO and distance if required</b>
<b>Operational Days per Year</b>	
<b>Seasonal or Shutdown Periods</b>	
<b>Control Signals Required by Customer (specify)</b>	
<b>Pipeline or Station Access Restrictions</b>	
<b>Land-Area or Ownership Restrictions</b>	
<b>Additional details</b>	<b>Attach details relevant to this request or mark as 'not applicable'</b>

**RESPONSIBLE ENTITIES**

<b>Entity Responsible for Delivery of Gas to Receipt Point (if other than the prospective user)</b>	
<b>Entity Responsible for Controlling Withdrawal of Gas at Delivery Point (if other than the prospective user)</b>	
<b>Provide evidence as to the timing and status of gas supply, the relevant project and/or requirement for requested pipeline capacity?</b>	