

18 October 2021

Mr Sean Sullivan
Chair
Energy Senior Officials
Department of Industry, Science, Energy and Resources
GPO Box 2013
CANBERRA ACT 2601

Lodged online via gas@industry.gov.au

Dear Mr Sullivan

Re: Gas pipeline regulation reforms

Thank you for the opportunity to provide feedback on the draft amendments to the National Gas Law (**NGL**), Regulations, and National Gas Rules (**NGR**) that will inform the final package submitted to Energy Ministers for approval.

ATCO acknowledges the work that has been undertaken to improve gas pipeline regulation in this reform package. The feedback provided herein outlines several matters that require amendment or clarification to ensure the package of reforms remains consistent and is user and consumer friendly for a distribution network located in Western Australia.

ATCO supports the proposed changes to simplify the regulatory regime to two forms of regulation with consistent requirements including information disclosure and terms, such as service provider.

In reviewing the reforms, ATCO makes the following observations:

- **Regulation of distribution pipelines needs to be considered separately from transmission pipelines** – Some of the proposed rule changes are not applicable to distribution pipelines and the requirements imposed will increase the regulatory burden unnecessarily on these networks, for example by duplicating information already published in access arrangements.
- **Amendments as drafted are focussed on dealing with issues in the gas transmission market** – There will be unintended consequences arising from the imposition of requirements on gas distribution network service providers, particularly with regard to information requirements. For example, a literal reading of draft NGR 101E(f) would require publication of the location of every delivery point on the distribution network. In ATCO's case this would be over 770,000 addresses updated daily. Ultimately, the cost of complying with these requirements would be a cost to consumers and offer no benefit to them or users, and would conflict with the National Gas Objective (**NGO**).

- **Duplication of information requirements** - Most of the information requirements in the draft NGR 101C, 101D and 101E relating to prices and services in relation to a gas distribution network have already been available for many years to shippers through published access arrangement documentation including a template haulage contract. Almost all services are provided according to the terms (both price and non-price terms) specified in the access arrangement- publishing information and affirming its application to each and every delivery point provides no benefit to consumers or shippers and does not assist achievement of the NGO.
- **Distribution pipelines are subject to an increasingly competitive environment** – ATCO operates its distribution pipelines in an increasingly diverse, contestable, and competitive energy services market that places a natural constraint on energy pricing and access decisions. The increasingly contestable, and in many cases substitutable, nature of energy services is being driven by changes in technology and the increased adoption of distributed energy resources (**DER**), such as battery and solar photovoltaic (**PV**) systems. The case for increasing the regulatory burden on distribution pipelines in this environment, certainly in Western Australia, is not borne out by the historic, current and foreseeable practices of participants in the market. It appears that the proposed improvements are largely directed at transmission pipelines.
- **Some transitional provisions do not preserve valid existing exemptions and will lead to unnecessary administrative costs** – As the proposed approach currently stands, Part 23 NGR exemptions from information disclosure and access dispute provisions will not remain in full force and effect. There are some unintended consequences that will arise if the existing Part 23 exemptions are limited (for example, the limited category 2 exemption at proposed NGR 102(4)) or overridden (for example, proposed rule 101E should not apply to override existing Part 23 exemptions. Automatically reducing the scope of current exemptions without reference to the circumstances in each case provides no benefit to Users, Prospective Users or consumers; will lead to associated administrative costs; and will not assist achievement of the NGO.

It is clear the assumed benefits will not outweigh the costs for consumers who will ultimately bear the costs of additional administration incurred by both service providers and regulators. Should the legislation be implemented as drafted, the result will be to over regulate distribution pipelines to the detriment of users and consumers and will detract from achievement of the NGO.

If you have any questions or would like to discuss any of the comments made in this submission, please contact me on 0434 313 101.

Yours sincerely



Simon Byrne

General Counsel and Company Secretary

Appendix A - Draft legislation information requirements

Attachment B – ATCO response to stakeholder feedback

APPENDIX A. DRAFT LEGISLATION: INFORMATION REQUIREMENTS

Table 1 contains specific responses to individual information requirements demonstrating no contribution to the NGO is achieved by imposing these information requirements on gas distribution network service providers. The reality is these requirements impose additional cost on consumers, and regulators for no contribution to achieving the NGO.

Table 1: Information requirements – contribution to NGO

NGR	Information	Scheme pipeline Information already publicly available	Suggested amendment and rationale
101B	Service access information		
5(a)	An outlook of the firm capacity of the pipeline that the service provider has available for sale or that it will have available for sale for each month in the following 36 month period; and	NGR 72(1)(d) access arrangement information	The rule could be amended to only apply where it is relevant or practical which would only be to a transmission pipeline by adopting the wording in NGR 72(d) “to the extent it is practicable” so draft NGR 101B(5)(a) becomes: <i>To the extent it is practicable</i> an outlook of the firm capacity of the pipeline that the service provider has available for sale or that it will have available for sale for each month in the following 36 month period; and
101C	Standing terms		
1(a)	standing terms for each pipeline service on the pipeline in accordance with subrule (2); and	NGR 48(1)(d) Access arrangement	Terms and conditions, including prices, for reference services are required to be published as part of an access arrangement document available to Users. It is unlikely standing terms because they are “standing” terms would relate to a non- reference service which by their nature of vary according to User requirements. Adopting similar language to the current NGR112D (6) which excludes information already reported to AEMO will avoid duplication of effort while maintaining the required information availability. 101C(1) could be amended as follows: <i>The service provider for a pipeline must publish subject to subrule 3:</i>
1(b)	the methodology used to calculate the standing price referred to in subrule (2)(b), the inputs used in the calculation of the standing price and any other information specified in the pipeline information disclosure guidelines.	NGR 72(1)(j) access arrangement information	
2(a)	the standard terms and conditions applicable to each pipeline service; and	NGR 48(1)(d)	

NGR	Information	Scheme pipeline Information already publicly available	Suggested amendment and rationale
		Access arrangement	<i>And subrule 101C(3) inserted</i>
2(b)	the standing price, being the price applicable to each pipeline service under the terms and conditions referred to in paragraph (a); and	NGR 48(1)(d) Access arrangement	<i>101C(3) The standing term information for a pipeline does not include:</i> <i>(a) the information specified in subrules (1) and (2) where that information is published in an approved access arrangement or annexures to an approved access arrangement; or</i> <i>(b) the information specified at subrule 1(b) where that information has been provided to the AER as part of an approved access arrangement review and is publicly available.</i> Or more simply the rule could be amended to exclude services provided via an access arrangement – reference services.
2(c)	other information about prices and charges applicable to each pipeline service including the charging structure for the pipeline service, any minimum charge and any additional charges such as imbalance or overrun charges	NGR 48(1)(d) Access arrangement	
101D	Financial information, historical demand information and cost allocation methodology		
	<p>(1) A service provider for a pipeline must prepare and publish on its website:</p> <p>(a) financial information and historical demand information for each of its pipelines, which must:</p> <p>(i) be in the form and contain the information specified in the pipeline information disclosure guidelines; and</p> <p>(ii) be certified in the manner provided for in the pipeline information disclosure guidelines; and</p>	NGR 72(1)(a)(iii) access arrangement information 72(2) 72(3)	<p>NGR 72 requires an access arrangement proposal to include historical demand information at NGR 72(1)(a)(iii).</p> <p>A cost allocation method document is provided to the Regulator to ensure compliance with NGR. Additionally, the AER is provided with a copy of the financial model used to calculate reference service tariffs and a version of that model is made public.</p> <p>Financial information is already provided to the AER by regulatory information notices.</p> <p>The information required by this rule 101D is redundant.</p> <p><i>No amendment to the draft legislation rule 101D is proposed.</i></p>

NGR	Information	Scheme pipeline Information already publicly available	Suggested amendment and rationale
	<p>(b) the cost allocation methodology used for each of its pipelines, which must comply with the cost allocation principles set out in the pipeline information disclosure guidelines.</p> <p>(2) To avoid doubt, the relevant adjudicator, in making an access determination, is not bound by financial information, historical demand information or the cost allocation methodology published under this rule or by any methods, principles or inputs that have been used to calculate information published under this rule</p>		
101E	Actual prices paid information		
(1)	A service provider must publish the following information for each pipeline service that a user has procured under an <i>access contract</i> with the service provider		<p>Under a negotiate arbitrate framework reference services are available to all parties at the published reference service price, terms and conditions. Where services are provided under an access arrangement the objectives of section 101E have been satisfied.</p> <p>Where distribution network non-reference services are provided it is typically because the costs vary from service to service often due to site conditions or specific end user requirements. For example, disconnection requiring digging up a main in the street or providing connection services. Therefore, publishing individual prices paid provides no useful information to prospective users of those non-reference services.</p>

NGR	Information	Scheme pipeline Information already publicly available	Suggested amendment and rationale
1(a)	the pipeline by means of which the pipeline service is provided; and	Scheme pipeline 48(1)(a)	<p>Draft NGR 101E(1)(a) should be amended to make it clear in the case of a distribution pipeline the reference to a pipeline is the system of pipes defined in the access arrangement or licence. The clause should be amended borrowing from the words in the definition of a distribution pipeline.</p> <p>NGR 01E(1)(a)</p> <p><i>the pipeline by means of which the pipeline service is provided where for a distribution pipeline the pipeline is the system of pipes classified as a distribution pipeline under a licence or authorisation granted in relation to the pipeline under jurisdictional gas legislation; and</i></p>
1(b)	the date the <i>access contract</i> was entered into or varied (as the case requires); and	Not applicable to distribution	<p>For a distribution pipeline contracts are not entered into with Users for individual services but rather a suite of services which in the case of a scheme pipeline are specified in the access arrangement. Services specified in an access arrangement, reference services, should be exempt from the requirements of NGR 101E(1)(b) to (e). Insert a new subrule 101E(2). The new subrule has been drafted to also apply to other parts of draft NGR101E(1) which do not apply to scheme distribution pipelines</p> <p><i>101E(2) The actual prices paid information for a distribution pipeline does not include the information specified in subrule (1) where a service is provided according to the price and other terms and conditions specified in an approved access arrangement or annexures to an approved access arrangement.</i></p>
1(c)	the service term (start and end dates); and		
1(d)	the pipeline service type (for example, forward haul, backhaul, connection, park and loan); and		
1(e)	in the case of a forward haul or backhaul service, the direction of the service; and		

NGR	Information	Scheme pipeline Information already publicly available	Suggested amendment and rationale
1(f)	<i>the receipt and delivery points between which the pipeline service is provided; and</i>	From AEMO for both scheme and non-scheme distribution pipelines	<p>A distribution network is a system of pipelines containing hundreds of thousands of delivery points all of which are contestable. Each time a new delivery point is connected to the distribution network the legislation could be construed to require publication of the receipt point and delivery point address. Being a network the concept of relating a specific receipt point to a delivery point is spurious and could not be sensibly published. With regard to delivery points there are tens of thousands of new connections each month across distribution networks. The practicality of constantly updating this information must be questioned not to mention its worth to Users. Also a complete listing of MIRN's is already available, updated monthly, from AEMO.</p> <p>Draft NGR101E(1)(f) should be maned to restrict its application to transmission pipelines.</p> <p>101E(1)(f)</p> <p><i>For a transmission pipeline the receipt and delivery points between which the pipeline service is provided; and</i></p>
1(g)	<i>the priority given to the pipeline service (such as firm, as available or interruptible); and</i>	Access arrangement	Curtailment provisions are contained in the template haulage contract, an annexure to the access arrangement, available on the regulator's website.
1(h)	<i>the contracted quantity for the pipeline service expressed as a maximum daily quantity (in GJ/day); and</i>	Not applicable to distribution	<p>Haulage services are provided as required depending on delivery points contracted to User. Rule 101E91)(h) should be amended to apply to transmission pipelines only.</p> <p><i>for a transmission pipeline the contracted quantity for the pipeline service expressed as a maximum daily quantity (in GJ/day); and</i></p>
1(i)	<i>where relevant:</i>		

NGR	Information	Scheme pipeline Information already publicly available	Suggested amendment and rationale
1(i)(i)	(i) the maximum hourly quantity (in GJ/hour) applicable to the pipeline service; and	Not published	The “where relevant” condition relating to draft NGR 101E(1)(i) to (n) in concert with the proposed new subrule 101E(2) should act to restrict the operation of draft NGR 101E(i) to (n).
1(i)(ii)	(ii) the imbalance allowance applicable to the pipeline service; and	Not applicable to distribution	
1(i)(iii)	(iii) the overrun allowance applicable to the pipeline service; and	Not applicable to distribution	
1(j)	whether the pipeline service is provided on the same or substantially the same non-price terms as those set out in the standing terms published for the pipeline under rule 101C(1)(a); and	Access arrangement and annexures	
1(k)	the price paid for the service as set out in the contract (excluding any amount on account of GST); and	Access arrangement and annexures	
1(l)	if the price provided under paragraph (k) is not expressed as \$/GJ/day or, if relevant, \$/GJ, the price under that paragraph converted into \$/GJ/day or \$/GJ, together with an explanation about how the conversion was made; and	Access arrangement and annexures	
1(m)	the price structure applicable to the pipeline service (for example whether it is a fixed price or a variable price or a combination of the two); and	Access arrangement and annexures	
1(n)	any price escalation mechanism applicable to the price paid for the service.	Access arrangement and annexures	

Attachment B

Stakeholder feedback template

Submission from ATCO Australia

The template below has been developed to enable stakeholders to provide feedback on the draft amendments to the NGL, Regulations and NGR as per the consultation paper. Energy Senior Officials strongly encourage stakeholders to use this template, so that it can have due regard to the views expressed by stakeholders on each issue.

1. Questions for stakeholders

Number	Question	Response
1 Page 22	Do you agree with the proposal to allow Chapter 4 of the NGL, or particular provisions in this chapter, to be applied to a person other than a service provider if prescribed in Regulations? If not, please explain why not.	Yes
2 Page 22	Do you think it is necessary to prescribe any persons other than a service provider in the Regulations at the commencement of the legal package, or should it be assessed at a later stage? If you think the Regulations should prescribe any persons other than a service provider at the commencement of the legal package, please explain why.	It should be assessed at a later stage.
3 Page 22	Do you agree with the proposal to replace the voluntary access arrangement mechanism with a scheme election option? If not, please explain why not.	Yes
4 Page 25	Do you agree with the proposal to allow the relevant regulator to determine that a pipeline should be subject to full regulation if the service provider has not provided any of the required information in a timely manner and to the reasonable satisfaction of the relevant regulator? If not, please explain why not.	We refer to our Response to Question 17 below. To afford procedural fairness to a service provider, the AER should be required to provide and publish a Notice where it intends to make a scheme determination and specify a time period in which the information may be provided before the AER proceeds to make the determination. A minimum time period to provide information would be 20 business days.
5 Page 27	Do you agree with the proposal to employ the same test for form of regulation and greenfields incentive determinations, but modified in the manner set out above?	Yes.
6 Page 28	Do you agree with the proposal to remove the 15-year price regulation exemption and to treat all pipelines in the same manner for the purposes of any greenfields incentive? If not, please explain why not.	No comment

Number	Question	Response
7 Page 30	Do you agree with the proposal to require expansions of non-scheme pipelines to be treated as part of the same pipeline for the purposes of the NGL and NGR? If not, please explain why not.	Yes
8 Page 32	Do you agree with the proposed changes to the pipeline classification and reclassification mechanism? If not, please explain why not.	In Western Australia, the ERA is the jurisdictional regulator for distribution pipeline licensing and performs the functions of the AER under the NGR and NGL. To that extent there is no separation of the distribution pipeline licensing functions and powers, and AER functions and powers in Western Australia.
9 Page 34	Rule 109 currently prohibits a service provider from making it a condition of the provision of a particular pipeline service that the prospective user accept a non-gratuitous service unless the bundling of services is reasonably necessary. Do you: (a) Agree with the scope of this prohibition, which has been adopted in the draft legal package and only applies to the bundling of non-gratuitous services? (b) Think the prohibition should apply more broadly to any bundling of services (i.e. gratuitous and non-gratuitous services) unless it is reasonably necessary?	No comment.
10 Page 35	Do you think s. 134 of the NGL (renumbered s. 148E), which imposes obligations on producers in relation to the supply and haulage of natural gas using scheme pipelines, should be retained in the regulatory framework or removed? Please explain your response to this question.	No comment
11 Page 35	If you think the obligation (refer to question 10) should be retained in the NGL, do you think: a. it should continue to just apply to producers, or do you think the obligation should extend to retailers? Please explain your response to this question. b. it should continue to just apply to scheme pipelines, or do you think the obligation should extend to non-scheme pipelines? Please explain your response to this question.	No comment
12 Page 38	Do you agree with the proposed interconnection requirements, or are there: - other requirements that you think should be specified in the NGR? - some requirements listed in section 4.2 that you think should not be specified in the NGR?	No comment

Number	Question	Response
	If you think the proposed interconnection requirements need to be amended, please explain why you think this is required.	
13 Page 40	Do you agree with the proposal to limit the prohibition on cross-subsidising the development of new capacity to transmission pipelines operating under the contract carriage model? If not, please explain why not.	No comment
14 Page 40	Do you agree with the proposal to require the dispute resolution body in a scheme pipeline access dispute and the arbitrator in a non-scheme pipeline access dispute to (where relevant) give effect to the prohibition on cross-subsidising the development of new capacity in their access determinations?	No comment
15 Page 45	Do you agree with the proposed cost allocation principles in the draft rules? If not, please explain why not.	<p>ATCO does not agree that these principles should apply to scheme distribution pipelines subject to a full access arrangement as they are fully addressed in Part 9 of the NGR.</p> <p>Scheme distribution pipeline services are provided under the prices, terms and conditions specified in an access arrangement.</p> <p>All revision proposals, submissions and decisions together with the access arrangement and all price and non-price terms and conditions are accessible to the public from the AER website.</p> <p>The terms of the access arrangement include, as part of the revisions and decision processes undertaken by the AER, a detailed analysis of what is included in the proposed cost allocation principles.</p> <p>The revision process includes extensive public consultation and opportunities for submissions to be made by interested parties, including existing and prospective users.</p> <p>Terms and conditions of access to services are specified in a template haulage contact usually as an annexure to the access arrangement.</p>
16 Page 45	Are the proposed cost allocation principles likely to conflict in any way with the principles applying to scheme pipelines in Part 9 of the NGR? If so, please explain in what way they conflict and how the conflicts could be resolved.	<p>We refer to our Response to Question 15 above.</p> <p>The NER 16.5.2 does not allow for rebateable services. NGR 93(3) and 93(4) should be realigned to allow for rebateable services.</p>
17 Page 47	Do you agree with the proposal to require service providers to publish the following non-price terms and conditions alongside the individual prices paid by shippers: (i) the date the trade was entered into and the service term;	<p>We refer to our Response to Question 15 above.</p> <p>ATCO does not agree with the proposal to publish non-price terms as it does not apply to distribution pipelines, whether scheme or non-scheme.</p>

Number	Question	Response
	<p>(ii) the type of service provided and the service priority (e.g. firm, as available or interruptible);</p> <p>(iii) the receipt and delivery points at or between which the service is provided and in the case of a forward haul or backhaul service, the direction of the service;</p> <p>(iv) the contracted quantities, expressed as a maximum daily quantity (in GJ/day) and maximum hourly quantity (in GJ/hour);</p> <p>(v) the price escalation mechanism;</p> <p>(vi) whether or not the transaction is on the same or substantially the same terms as the pipeline's standard terms for that service; and</p> <p>(vii) the imbalance and overrun allowance associated with the service?</p> <p>If you do not agree with this proposal because you think there are:</p> <p>a other non-price terms and conditions or information that should also be reported (e.g. other non- liability caps, gas specification, higher heating value requirements etc), please identify what those other non-price terms and conditions are and why you think they should be reported; and/or</p> <p>b some non-price terms and conditions listed in (i)-(vii) that should not be reported, please identify what those non-price terms and conditions are and why you think they should not be reported.</p>	<p>The proposal contained at proposed NGR 101E "Actual prices paid information" is based on large individual contracts established for transmission services which do not exist for distribution services. Distribution service volumes cannot be determined in advance as they depend on end user gas consumption. Therefore, in almost all cases there are no contracted volumes.</p> <p>ATCO is concerned that the publication of actual prices paid will result in commercially sensitive capacity and usage information of some distribution network customers being disclosed. The publication of a non-- reference services tariff for a particular user and their location may reveal details of that user's input costs to its market competitors. This outcome does not promote the long-term interests of customers.</p> <p>The current approach of requiring fully regulated distribution network pipelines to provide duplicate information and potentially commercially sensitive information under the draft rules is not fit for purpose and is unlikely to achieve the desired policy objective.</p> <p>Distribution services for scheme pipelines are provided under the price and non-price, terms and conditions specified in an access arrangement. Price (for reference and ancillary services) and non-price terms and conditions are specified in a template haulage contact usually as an annexure to the access arrangement.</p> <p>Non-reference pipeline services comprise a very small percentage of total cost and revenue for scheme distribution pipelines,</p> <p>Therefore, relevant information to potential shippers is available through the access arrangement documentation. It is unclear if publication of this information in the access arrangement will meet information disclosure requirements or if disclosure requirements need to be duplicated, ultimately at an unnecessary cost to consumers.</p> <p>Any drafting should clearly identify that where information is included in an access arrangement, this can be cross-referenced rather than republished in a second format.</p> <p>Distribution service providers should be exempt from proposed NGR 101E as the information is already available. Proposed NGR 101E should be amended such that it only applies to transmission pipeline service providers.</p> <p>None of the non-price term and conditions listed in the proposed NGR 101E should be required to be published for any distribution pipelines.</p> <p>Please refer to Appendix A for an exposition of the data already provided under a full access arrangement for a scheme pipeline and therefore not required to be specified</p>

Number	Question	Response
		<p>as required where such an access arrangement applies. Appendix A also includes suggested amendments to the information requirement rules.</p> <p>The definition of distribution pipeline needs to be clarified in the NGL to allow a clear interpretation for the category 2 exemption. The distribution pipeline definition should be specified as a “system of pipelines” so that it is clear the exemption applies to the distribution network and not individual pipelines within the network, because there is no price or non-price information prepared or provided on any basis other than the whole of the distribution network operated as a covered scheme pipeline.</p> <p>The definition of an exempt pipeline can be further strengthened to ensure distribution pipelines are exempt where they are already or would likely to be covered by a full access arrangement by including pipelines with a MAOP below 350Kpa as exempt. This is consistent with the definition of high pressure pipeline used for regulatory purposes.</p>
<p>18 Page 52</p>	<p>In relation to past capital contributions, do you:</p> <p>(a) Agree with the proposal to extend the requirement to consider past capital contributions to non-scheme pipelines? If not, please explain why not.</p> <p>(b) Think the requirement to consider past capital contributions should only apply to contributions of capital by the user to fund installations or the construction of new facilities, or should it also apply to contributions to the original construction of the pipeline? Please explain your response.</p> <p>(c) Think the extent to which a party has fully recouped past capital contributions should be taken into account by the relevant adjudicator when making an access determination?</p>	<p>ATCO agrees with the proposal to extend the requirement to consider past capital contributions to non-scheme pipelines, - otherwise ATCO has no further comment.</p>
<p>19 Page 52</p>	<p>Do you agree with the proposal to extend the safety of operation provisions to non-scheme pipelines? If not, please explain why not.</p>	<p>Yes.</p>
<p>20 Page 56</p>	<p>Do you agree with the proposed definition of a small shipper? If not, please explain why you think this threshold is not appropriate and set out the alternative definition you think should be employed.</p>	<p>ATCO does not agree with the definition, without additional criteria to assess the relevant financial and market power of the ultimate owner of the shipper.</p> <p>The definition of a small shipper at 5 TJ/day is insufficient on its own. The protection for small shippers must be complemented by protecting service providers from frivolous disputes. Therefore, the throughput criteria must include an additional measure to determine the size of business that the small shipper belongs to. It is considered that protections for small shippers should only be provided if the relevant financial and market power of the ultimate owner of the shipper is also sufficiently small. This would help to ensure that service providers are not subjected to frivolous disputes from small shippers that are part of corporate ownership and control</p>

Number	Question	Response
		structures that have relevant material financial and market power which may lead to protracted dispute processes and the associated costs to and diversion of management effort by service providers which may have an adverse impact on consumers.
21 Page 56	Do you agree with the proposal to accord small shippers that are using either a scheme or non-scheme pipeline the option to elect to have a dispute mediated by a regulator appointed mediator? If not, please explain why you think the extension of this option to scheme pipelines should not occur.	Yes
22 Page 58	Do you agree with the proposed approach to each of the transitional arrangements set out in Table 9.1? If not, please explain why not.	No – ATCO does not agree with some aspects of the transitional provisions. As the proposed approach currently stands, Part 23 exemptions from information disclosure and access dispute provisions are not maintained (ie: do not all remain in full force and effect) consistently which is likely to add unnecessary uncertainty and complexity for Users and Prospective Users, and additional costs for service providers. Although a 10 TJ/day exemption may apply, it only applies to exemptions from publishing financial and historical demand information. Unless shippers apply to have the current exemptions removed wholly or in part they should be maintained. The current exemptions have not caused any issues for shippers. Imposing additional requirements that provide no benefit to Users or Prospective Users and will lead to associated administrative costs is not consistent with the NGO.
23 Page 58	Are there any other transitional arrangements that you think need to be provided for in the NGL or NGR? If so, please explain what they are and why they are required.	Where existing Part 23 exemptions apply they should remain in full force and effect. They should not be reduced to the limited category 2 exemption at proposed NGR 102(4). By way of example, the provisions of proposed rule 101E should not apply to override existing Part 23 exemptions. Provision could be made for the regulator to receive applications from shippers to amend current exemptions and make a determination according to the NGO. Automatically reducing the scope of current exemptions without reference to the circumstances in each case provides no benefit to Users or Prospective Users and will lead to associated administrative costs. End use consumers will not see any benefit and overall, such circumstances conflict with the NGO.
24 Page 58	Do you agree with the proposal to treat expansions that do not currently form part of a scheme pipelines that is subject to full regulation as part of the scheme pipeline from the commencement of the new package and to be rolled into the access arrangement at the next access arrangement review? If not, please explain why not.	Yes

Number	Question	Response
25 Page 58	Are you aware of any transitional arrangements that would need to be provided for to account for similar examples under the regulatory framework?	No, other than suggesting the issues identified in the answers to Questions 22 and 23 are addressed.
26 Page 68	Do you agree with the proposal to remove the scheme pipeline grandfathering arrangement for contracts that were in force prior to 30 March 1995? If not, please explain why not.	Yes
27 Page 77	<p>Do you agree with the proposal to require the following non-price terms and conditions to be published by Part 18A facility service providers alongside the individual price information?</p> <ul style="list-style-type: none"> - the facility by means of which the service is provided; - the date the contract was entered into or varied and the service term (start and end dates); - the type of service provided (for example, a storage service, compression service) and the priority given to the pipeline service (such as firm, as available or interruptible); - the contracted quantity, which for: <ul style="list-style-type: none"> – a compression service facility should be the maximum daily quantity (in GJ/day); – a storage facility should be: <ul style="list-style-type: none"> • the storage capacity the subject of the transaction (in GJ); and • where relevant, the injection and withdrawal capacity, expressed as a maximum daily quantity or MDQ (in GJ/day); - whether the service is provided on the same or substantially the same non-price terms as those set out in the standing terms published by the service provider; - the price paid for the service as specified in the contract (if these prices are not expressed on a \$/GJ/day or \$/GJ basis, service providers will also be required to publish the price converted to such a basis together with an explanation as to how the conversion was made); - the price structure applicable to the service (for example, whether it is a fixed price or a variable price or a combination of the two); and - any price escalation mechanism applicable to the price paid for the service. 	No comment

Number	Question	Response
	<p>If you do not agree with this proposal because you think there are:</p> <p>a) other non-price terms and conditions or information that should also be reported, please identify what those other non-price terms and conditions are and why you think they should be reported; and/or</p> <p>b) some non-price terms and conditions that should not be reported, please identify what those non-price terms and conditions are and why you think they should not be reported.</p>	
<p>28 Page 77</p>	<p>Do you agree with the proposal to align the requirements for the standing terms with those that will apply to pipeline service providers? If not, please explain why not.</p>	<p>No Comment</p>

2.