

Final decision on access arrangement for the Goldfields Gas Pipeline (2025 to 2029)

Attachment 1: Access arrangement and services

18 December 2024

Acknowledgement of Country

At the ERA we value our cultural diversity and respect the traditional custodians of the land and waters on which we live and work.

We acknowledge their continuing connection to culture and community, their traditions and stories. We commit to listening, continuously improving our performance and building a brighter future together.

Economic Regulation Authority

Level 4, Albert Facey House

469 Wellington Street, Perth WA 6000

Telephone 08 6557 7900

Email info@erawa.com.au

Website www.erawa.com.au

This document can also be made available in alternative formats on request.

National Relay Service TTY: 13 36 77

© 2024 Economic Regulation Authority. All rights reserved. This material may be reproduced in whole or in part provided the source is acknowledged.

Contents

Note	ii
Attachment 1. Summary	1
Regulatory requirements	2
ERA draft decision	3
GGT response to draft decision	4
Final decision	5

Note

This attachment forms part of the ERA's final decision on the access arrangement for the Goldfields Gas Pipeline. It should be read in conjunction with all other parts of the final decision, which is comprised of the following document and attachments:

- Final decision on access arrangement for the Goldfields Gas Pipeline (2025 to 2029) Overview, 18 December 2024:
 - Attachment 1: Access arrangement and services (this document)
 - Attachment 2: Demand
 - Attachment 3: Revenue and tariffs
 - Attachment 4: Regulatory capital base
 - Attachment 5: Operating expenditure
 - Attachment 6: Depreciation
 - Attachment 7: Return on capital, taxation, incentives
 - Attachment 8: Other access arrangement provisions
 - Attachment 9: Service terms and conditions

Attachment 1. Summary

In its access arrangement proposal, GGT:

- Identified the pipeline to which the access arrangement relates as the Goldfields Gas Pipeline, with a description of the pipeline available on the APA website (GGT's parent company).
- Stated the access arrangement review submission date and revision commencement date as 1 January 2028 and 1 January 2030, respectively.
- Specified the Firm Transportation Service as the single reference service to be offered under the access arrangement, with a further seven services to be offered as non-reference services.

The ERA approved these elements of GGT's access arrangement proposal in the draft decision, subject to:

- GGT correcting the review submission date to 1 January 2029, after identifying the date of 1 January 2028 was an error.
- GGT considering the addition of kilometre reference points for each receipt and delivery point on the pipeline to improve the description of the pipeline.

GGT's revised proposal corrected the review submission date to 1 January 2029.

While GGT noted the ERA's suggestion to amend the pipeline description to include kilometre reference points, it did not elect to address this in its revised proposal.

The ERA accepts GGT's pipeline description as it satisfies the minimum requirements of the National Gas Rules. However, it is expected that GGT will improve its pipeline description, by including kilometre reference points, to provide greater information transparency for existing and prospective users at the next access arrangement review.

Noting the above considerations, the ERA approves GGT's pipeline description, access arrangement dates and reference services for inclusion in the access arrangement for the fifth access arrangement period (AA5).

Regulatory requirements

- 1. The *National Gas Access (WA) Act 2009* implements a modified version of the National Gas Law (NGL) and National Gas Rules (NGR) in Western Australia. The rules referenced in this decision are those that apply in Western Australia.¹
- 2. Rule 48 specifies the required content for an access arrangement, including the need to:
 - Identify the pipeline to which the access arrangement relates and include a reference to a website where a description of the pipeline is.
 - Describe all the pipeline services that the service provider can reasonably provide and specify the reference services to be offered.²
 - If there is to be a review submission date, state the review submission and revision commencement dates for the access arrangement.
- 3. Rules 49 to 52 set out further specific provisions for the setting of dates relevant to an access arrangement and the submission of an access arrangement revision proposal:
 - In most cases, an access arrangement must contain a review submission date and a revision commencement date (rule 49).
 - The proposed revision commencement date must be at least 12 months after the proposed review submission date (rule 50).
 - The review submission date may be brought forward to an earlier date if the
 access arrangement provides for, or the regulator requires an access
 arrangement to contain, one or more trigger events; and a trigger event occurs
 (rule 51):
 - Trigger events may consist of any significant circumstance or a combination of circumstances, including:
 - A redirection of the flow of natural gas through the pipeline.
 - A competing source of natural gas becomes available to customers served by the pipeline.
 - A significant extension, expansion or interconnection occurs.
- 4. The service provider must, on or before the review submission date of the access arrangement, submit an access arrangement revision proposal. The proposal must set out the service provider's proposed amendments to the access arrangement for the next access arrangement period and incorporate the proposed amendments in a revised access arrangement (rule 52).

The current rules that apply in Western Australia are available from the Australian Energy Market Commission: AEMC, 'National Gas Rules (Western Australia)' (online) (accessed December 2024).

At the time of this decision, *National Gas Rules – Western Australia version 12 (1 February 2024)* was in effect.

The NGR requires that this description and specification be consistent with the ERA's reference service proposal decision (made under rule 47A) for the pipeline unless there has been a material change in circumstances. Where the description and/or specification is different to the ERA's decision, an explanation of the material change in circumstances that necessitated the change must be provided.

ERA draft decision

- 5. In its access arrangement proposal, GGT:
 - Identified the pipeline to which the access arrangement relates as the Goldfields Gas Pipeline (GGP), with a description of the pipeline available on the APA website.³
 - Stated the access arrangement review submission date and revision commencement date as 1 January 2028 and 1 January 2030, respectively.
 - Specified the Firm Transportation Service as the single reference service to be offered under the access arrangement, with a further seven services to be offered as non-reference services.⁴
- 6. In its draft decision, the ERA confirmed with GGT that the stated review submission date of 1 January 2028 was incorrect and should be 1 January 2029.
- 7. There was no material change in circumstances since the ERA's approval of GGT's reference service proposal in June 2023; and the ERA received no submissions from interested parties on the requirements for GGT to identify the pipeline or address key dates and services in the proposed access arrangement. For these reasons, and subject to GGT correcting the review submission date, the ERA approved these elements of the access arrangement.
- 8. The ERA did consider that GGT could improve the description of the pipeline by adding kilometre reference points as part of the information that describes the receipt and delivery points on the pipeline. Such information would enhance the description of the pipeline and assist prospective users to better understand and verify the charges payable that include a distance-based charge.
- 9. The ERA set out the following draft decision required amendments:
 - 1.1 GGT should amend the pipeline description to include kilometre reference points for each receipt and delivery point on the pipeline.
 - 1.2 GGT must correct the review submission date in Section 1.7 of the proposed access arrangement from 1 January 2028 to 1 January 2029.

APA is the parent company for GGT.
APA, 'Goldfields Gas Pipeline' (online) (accessed December 2024).

These services include the: Interruptible Service; Firm Parking Service; Firm Loan Service; Interruptible Parking Service; Interruptible Loan Service; In-pipe Trade Service; and Interconnection Service.

GGT response to draft decision

- 10. Apart from correcting the revision commencement date error that was identified, GGT's revised proposal did not make any further revisions to these elements of the access arrangement. That is, GGT has:
 - Identified the pipeline to which the access arrangement relates as the GGP, with a description of the pipeline available on the APA website.
 - Stated the access arrangement review submission date and revision commencement date as 1 January 2029 and 1 January 2030, respectively.
 - Specified the Firm Transportation Service as the single reference service to be offered under the access arrangement, with the following seven services to be offered as non-reference services:
 - Interruptible Service
 - Firm Parking Service
 - Firm Loan Service
 - Interruptible Parking Service
 - Interruptible Loan Service
 - In-pipe Trade Service
 - Interconnection Service
- 11. While GGT noted the ERA's required amendment to amend the pipeline description to include kilometre reference points for each receipt and delivery point on the pipeline to enhance the description of the pipeline, it did not elect to do this. GGT submitted:

GGT considers that the information provided on the GGP webpage meets the requirements of the NGR and that no further information needs to be provided.⁵

-

⁵ GGT, Goldfields Gas Pipeline AA5 - Revised proposal, September 2024, p. 73.

Final decision

- 12. The ERA received no submissions from interested parties that addressed GGT's information to identify the pipeline, proposed access arrangement dates, and/or reference services.
- 13. While the ERA maintains its position that the description of the pipeline would be improved by adding kilometre reference points as part of the information that describes the receipt and delivery points on the pipeline, the ERA accepts GGT's decision to leave the description of the pipeline as is because the description does satisfy the minimum requirements of the NGR. In accepting GGT's position, the ERA notes that GGT did not provided any reasons to dispute the beneficial nature of the information sought. GGT simply declined to make any changes to the description of the pipeline because it had met the (minimum) requirements of the NGR.
- 14. Noting the above considerations, the ERA's final decision is to approve the elements of the access arrangement as shown Table 1.1.

Table 1.1: AA5 approved access arrangement elements (pipeline identification, dates and reference services)

Pipeline to which access arrangement relates

- Goldfields Gas Pipeline
- A description of the pipeline is available from the APA (GGT) website⁶

Access arrangement review submission date and revision commencement date

- Review submission date: 1 January 2029
- Revision commencement date: 1 January 2030

Reference services to be offered under the access arrangement

- Single reference service: Firm Transportation Service (transportation of gas from a receipt point to a delivery point)
- Seven non-reference services:
 - Interruptible Service (transportation of gas from a receipt point to a delivery point, which may not be available on a given day)
 - Firm Parking Service (pipeline storage of gas)
 - Firm Loan Service (borrowing of gas from pipeline line pack)
 - Interruptible Parking Service (pipeline storage of gas, which may not be available on a given day)
 - Interruptible Loan Service (borrowing of gas from pipeline line pack, which may not be available on a given day)
 - In-pipe Trade Service (facilitation of trade of gas between pipeline users)
 - Interconnection Service (provision or facilitation of interconnection to the pipeline)

_

⁶ APA, 'Goldfields Gas Pipeline' (online) (accessed December 2024).