



Economic Regulation Authority

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

Attachment 9: Service terms and conditions

18 December 2024

Acknowledgement of Country

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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
 - 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 (this document)

Attachment 9. Summary

The regulatory framework requires the access arrangement to specify, for each reference service, a reference tariff and the other terms and conditions on which the service will be provided.

The terms and conditions approved under an access arrangement establish standard terms and conditions that users can either accept or use as a point of reference to negotiate their own terms and conditions to meet specific operational needs. In the event terms and conditions cannot be agreed, the access arrangement may be used to guide an arbitrator in an access dispute.

GGT provides a single reference service under the access arrangement: the Firm Transportation Service. The terms and conditions for the Firm Transportation Service are set out in Section 2.2 and Schedules D and T of the proposed access arrangement.

GGT's proposed terms and conditions for the Firm Transportation Service remained materially unchanged from the current (AA4) terms and conditions.

The ERA's draft decision was to conditionally approve GGT's proposed terms and conditions subject to GGT:

- Amending the definition of "receipt point" in Schedule T of the proposed access arrangement to match the amended definition of "receipt point" in Schedule C of the proposed access arrangement, unless there was a valid reason for these definitions to remain different.
- Considering amendments to the structure of the proposed access arrangement to incorporate the definitions that apply to the reference service terms and conditions into those terms and conditions. That is, existing Schedule T (C1 Definitions and Interpretation) forming part of Schedule D (Terms and Conditions applying to the Firm Transportation Service).

GGT's revised terms and conditions have addressed the ERA's required amendment of the definition of "receipt point" – the definition in Schedule T is now the same as the definition in Schedule C.

The revised terms and conditions also include other minor (administrative) amendments, which the ERA considers do not materially change the terms and conditions. For this reason, the ERA has accepted these other minor amendments.

GGT did not elect to amend the structure of the access arrangement document as suggested by the ERA in the draft decision. While the ERA appreciates that the access arrangement (which incorporates the terms and conditions for the reference service) is a complex document, this should not deter GGT from undertaking a general review of it to improve layout and readability. The ERA encourages GGT to address this matter as part of the next access arrangement review process.

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. The regulatory framework requires the access arrangement to specify, for each reference service, a reference tariff and the other terms and conditions on which each reference service will be provided.²
3. There are no specific provisions in the NGR that detail what the terms and conditions for reference services must cover. In general, reference service terms and conditions should be reasonable and cover both service specific provisions and general (or generic) contract provisions.

¹ 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.

² NGR, rule 48(1)(d).

ERA draft decision

4. GGT's proposed changes to the terms and conditions for the Firm Transportation Service comprised an update to incorporate the Northern Goldfields Interconnect (NGI) receipt point, drafting amendments to clarify existing terms and conditions, and various administrative amendments.³
5. The NGI commenced operations in 2023 and adds an additional receipt point to the Goldfields Gas Pipeline (GGP). The ERA considered that GGT's proposed new provision (at Section 2.2.1(e) of the access arrangement) was necessary to update the terms and conditions to reflect this additional receipt point.
6. GGT's other proposed terms and conditions were not materially different to the terms and conditions that exist in the current (AA5) access arrangement. For this reason, and absent any submissions that raised any concerns over the terms and conditions, the ERA approved the terms and conditions for the Firm Transportation Service as set out in the proposed access arrangement subject to the following considerations:
 - The ERA noted that GGT amended the definition of "receipt point" in Schedule C of the proposed access arrangement, with the amended definition reflecting the additional receipt point created by the NGI. While GGT amended the definition of "receipt point" in the definitions that apply to the access arrangement (as set out in Schedule C), the definition of "receipt point" in the definitions that apply to the terms and conditions for the Firm Transportation Service (as set out in Schedule T) remained unchanged. The ERA considered the definition of "receipt point" in the reference service terms and conditions should be the same, unless GGT could provide valid reasons as to why the definitions should be different.
 - The ERA suggested that GGT should consider amending the structure of the access arrangement so that the definitions applying to the reference service terms and conditions sit within the terms and conditions. That is, existing Schedule T (C1 Definitions and Interpretation) should form part of Schedule D (Terms and Conditions applying to the Firm Transportation Service). As currently proposed, there are two schedules in the access arrangement that set out "definitions and interpretation" – Schedule C (applying to the access arrangement) and Schedule T (applying to the reference service terms and conditions) – that may confuse some users.
7. The ERA set out the following draft decision required amendments:⁴
 - [9.1] GGT must amend the definition of "receipt point" in Schedule T of the proposed access arrangement to match the amended definition of "receipt point" in Schedule C of the proposed access arrangement (noting that there is a drafting/formatting error in the amended definition for "receipt point" in Schedule C that needs to be addressed).
 - [9.2] GGT should consider amending the structure of the proposed access arrangement to incorporate the definitions that apply to the reference service terms and conditions into those terms and conditions (i.e. existing Schedule T (C1 Definitions and Interpretation) should form part of Schedule D (Terms and Conditions applying to the Firm Transportation Service)).

³ For example, updating the name of the reference service (from Firm Service to Firm Transportation Service), correcting cross references within the access arrangement and updating dates.

⁴ The ERA's Draft Decision Attachment 9 incorrectly numbered these draft decision required amendments as 8.1 and 8.2, respectively.

GGT response to draft decision

8. GGT's revised proposal includes revised terms and conditions for the Firm Transportation Service, as set out in Schedules D and T of the proposed revised access arrangement.
9. GGT indicated that the revisions made to the terms and conditions were limited to the definitions (that is, Schedule T) and comprised the following:⁵
 - A revised definition of "receipt point", which is the same definition used in Schedule C of the proposed revised access arrangement.
 - A new definition for "accumulated imbalance charge".
 - The deletion of the term "spare capacity register".
10. In response to the ERA's draft decision required amendment, to consider amending the structure of the access arrangement to incorporate the definitions (and interpretation provisions) that apply to the reference service terms and conditions into those terms and conditions, GGT submitted that it had not elected to do this. GGT stated:

GGT has not made the change suggested by the ERA. The access arrangement is a complex document and difficult to amend. GGT will consider this for future access arrangement revisions.⁶

⁵ GGT, *Goldfields Gas Pipeline AA5 - Revised proposal*, September 2024, p. 78.

⁶ GGT, *Goldfields Gas Pipeline AA5 - Revised proposal*, September 2024, pp. 73-74.

Final decision

11. The ERA received no submissions from interested parties that addressed GGT's proposed terms and conditions for the Firm Transportation Service.
12. The ERA considers GGT's proposed revisions to the definitions in Schedule T of the access arrangement (definitions for the terms and conditions applying to the Firm Transportation Service) are necessary for the following reasons:
 - The revised definition of "receipt point" is now consistent with the definition used in Schedule C of the access arrangement, which sets out the definitions and interpretation provisions for the access arrangement; and has addressed draft decision requirement 9.1.
 - The new definition for "accumulated imbalance charge" was required to correct an error. That is, the definition previously referenced the definition set out in "Appendix 4"; however, there is no such appendix. GGT has corrected this error by inserting a new definition: "the charge applied to users for Accumulated Imbalance and arranged on a contract by contract basis".⁷
 - The deletion of the term "spare capacity register" does not affect the terms and conditions for the Firm Transportation Service because the term does not appear elsewhere in the terms and conditions (that is, the definition only appears in the definitions in Schedule T).
13. The ERA notes that GGT has made other minor amendments to the terms and conditions for the Firm Transportation Service, including for example, adding context to cross references and formatting (style) adjustments.⁸ The ERA considers that these amendments do not materially change the terms and conditions. For this reason, the ERA accepts these other minor amendments to the terms and conditions for the Firm Transportation Service.
14. The ERA notes GGT's response to draft decision required amendment 9.2. While the ERA appreciates that the access arrangement (which incorporates the terms and conditions for the reference service) is a complex document, this should not deter GGT from undertaking a general review of it to improve layout and readability. The ERA encourages GGT to address draft decision required amendment 9.2, in addition to any other general improvements that GGT elects to make, as part of the next access arrangement review process.

⁷ The ERA notes that GGT has made this same correction to the definition in Schedule C of the access arrangement.

⁸ For example for cross references, "**Forecast Capital** has the meaning given to it in section 3.2 [of this Access Arrangement](#)."