



Gas Transmission Australia

**PARMELIA PIPELINE
ACCESS ARRANGEMENT
AND
ACCESS ARRANGEMENT INFORMATION**

Submitted to the
Independent Gas Pipelines
Access Regulator Western Australia

7 May 1999

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PARMELIA PIPELINE

ACCESS ARRANGEMENT

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Access Regulator Western Australia

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**CMS GAS TRANSMISSION of AUSTRALIA
PARMELIA PIPELINE CONTACT DETAILS**

**CMS Gas Transmission Australia
ARBN 078 902 397**

Registered Office: 8 Marchesi Street
Kewdale
Western Australia 6105

Mailing Address: P.O. Box 203
Cloverdale
Western Australia 6985

Telephone: +61 8 9353-7500
Facsimile: +61 8 9353-2452
Email: acmswa@cmsenergy.com

CONTACTS:

David King	Manager of Operations
Rudi Petrig	Business Development Manager
Tom Lyon	Land & Liaison Officer
Steve Peredi	Pipeline Supervisor
Suzy Tasnady	Regulatory Planning Coordinator

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INTRODUCTION

CMS Gas Transmission of Australia actively encourages access to the Parmelia Pipeline by prospective pipeline users wishing to transport natural gas. Such access is available to users seeking inputs to the Parmelia Pipeline from gas production operations and other pipelines, and outlets from the Parmelia Pipeline into gas consumers' premises and third party gas transport and delivery systems.

The Parmelia Pipeline strives to be "the friendly pipeline" in Western Australia through its customer focus and willingness to provide flexible and innovative gas transport and associated services on favourable terms and conditions. It pioneered third party gas transport in Western Australia. No user has ever been denied access to the Parmelia Pipeline. Further, all gas producers who have a choice of pipeline utilise the Parmelia Pipeline.

CMS views an increase in throughput as essential for the continued future operation of the Parmelia Pipeline. Thus, access by third parties constitutes a critical success factor for CMS and the Parmelia Pipeline.

To accommodate the requirements of the Gas Pipelines Access (Western Australia) Act 1998, CMS offers a suite of Reference Services under conditions described in this Access Arrangement and related documents.

This Access Arrangement also makes specific provision for CMS to accommodate the individual needs of prospective pipeline users through the provision of Non-Reference Services. Such services cannot be defined in advance because of the wide range of possible services and associated sets of terms and conditions which CMS could offer.

Prospective pipeline users are actively encouraged to discuss their gas transportation needs with CMS so that these may be satisfied through the provision of one or more Reference Services designed to provide commonly sought transport services, Non-Reference Services tailored to meet individual requirements, or a combination of both.

In this way, the Parmelia Pipeline can truly be first in customer service.

1. ACCESS ARRANGEMENT

Access Arrangement

- 1.1. This document is an [proposed*] Access Arrangement lodged by CMS Gas Transmission of Australia a Cayman Islands corporation with limited liability ARBN 078 902 397 (CMS) with, [and approved by,**] the Regulator under the Code.

Gas Transportation Services

- 1.2. This Access Arrangement sets out the policies, terms and conditions on which CMS will provide Gas transportation services through the Parmelia Pipeline, the current route of which is shown on the maps contained hereto.

2. INTERPRETATION

Appendix 1

- 2.1. The definitions and interpretation provisions in Appendix 1 form part of this Access Arrangement.

3. TERM

- 3.1. This Access Arrangement comes into effect on the Effective Date and has a Revisions Submission Date of 31 October 2003.

4. SERVICES POLICY

Reference Services and Non-Reference Services

- 4.1. Subject to there being sufficient Spare Capacity in the Parmelia Pipeline, CMS will:
- (a) make available to Prospective Users, the Reference Services; and
 - (b) negotiate in good faith with Prospective Users for the provision of Non-Reference Services

for the receipt of Gas at an agreed Receipt Point, the transmission of Gas and the delivery of Gas at an agreed Delivery Point.

* delete when approved

** remove brackets when approved

Reference Services

4.2. The Reference Services offered in respect of the Parmelia Pipeline are:

- (a) Firm Extended Service;
- (b) Interruptible Extended Service;
- (c) Firm Spot Service; and
- (d) Interruptible Spot Service

as more particularly described in part 4 of the General Terms and Conditions.

5. REFERENCE TARIFF POLICY

Transportation Tariffs for Reference Services

5.1. CMS will make available the Reference Services at the Transportation Tariff corresponding to that Reference Service, as set out in part 8 of the General Terms and Conditions, as varied in accordance with the provisions of this part.

Reference Tariff Policy

5.2. The Transportation Tariffs have been determined having regard to:

- (a) the Reference Tariff Principles described in section 8 of the Code;
- (b) recovery of forecast efficient capital and operating costs and a commercial rate of return; and
- (c) a Net Present Value tariff determination methodology.

Variation of Transportation Tariffs

5.3. Except as expressly provided in the Service Agreement, the Transportation Tariff will be adjusted in accordance with part 9 of the General Terms and Conditions.

Tariff for Non-Reference Services

5.4. Non-Reference Services will be made available at a tariff agreed between CMS and the Prospective User, having regard to the applicable principles in the Reference Tariff Policy and the nature of the Non-Reference Service to which access is sought.

6. ACCESS REQUEST

Access Request for Reference Service

- 6.1. Where a Prospective User seeks access to a Reference Service, it shall lodge with CMS:
- (a) a completed and signed Order Form for each Reference Service to which access is sought;
 - (b) reasonable evidence that the Prospective User has, or will have:
 - (i) access to a supply of Gas which meets the Gas Specifications at the proposed Receipt Point; and
 - (ii) access to suitable facilities to accept delivery of Gas from the proposed Delivery Point;
 - (c) reasonable evidence as to the Prospective User's solvency and creditworthiness;
 - (d) payment of the Service Request Administration Fee; and
 - (e) if applicable, an indication of its preparedness to contribute reasonable costs towards Further Investigations or Enhanced Facilities or both.

Access Request for Non-Reference Service

- 6.2. Where a Prospective User seeks access to a Non-Reference Service, it shall lodge with CMS:
- (a) a completed and signed Order Form for a Non-Reference Service, incorporating details of the type of service to which access is sought;
 - (b) reasonable evidence that the Prospective User has, or will have:
 - (i) access to a supply of Gas which meets the Gas Specifications at the proposed Receipt Point; and
 - (ii) access to suitable facilities to accept delivery of Gas from the proposed Delivery Point;
 - (c) reasonable evidence as to the Prospective User's solvency and creditworthiness;

- (d) payment of the Service Request Administration Fee; and
- (e) if applicable, an indication of its preparedness to contribute reasonable costs towards Further Investigations or Enhanced Facilities or both.

Variation of General Terms and Conditions

6.3.

- (a) A Prospective User may in an Access Request seek variations of the General Terms and Conditions applicable to a Reference Service.
- (b) An Access Request containing such variations constitutes a request for a service which differs from the standard service provided for by the Reference Service and hence will be treated as an Access Request for a Non-Reference Service for the purposes of this Access Arrangement. CMS will negotiate the terms and conditions for such a Non-Reference Service with the Prospective User in good faith.

Solvency and Creditworthiness

6.4.

- (a) CMS reserves the right to satisfy itself as to the solvency and creditworthiness of the Prospective User. In addition to any evidence provided under the provisions of this part, CMS may seek information or references in relation to the Prospective User from any relevant credit reference or rating agency or any other creditor or bank of the Prospective User. For that purpose, the Prospective User must provide all such authorisations as CMS may reasonably require.
- (b) Without limiting any other provision of this Access Arrangement, CMS may require a Performance Security to be provided by the Prospective User, any of its Related Corporations or any other person, as a Condition.
- (c) Without limiting any other provision of this Access Arrangement, CMS will be deemed not to be reasonably satisfied as to the solvency and creditworthiness of the Prospective User for any purpose under this Arrangement, if an Insolvency Event has occurred in relation to the Prospective User at any time within 5 years prior to the time

at which CMS is considering the Prospective User's solvency and creditworthiness under this Access Arrangement.

Waiver of Access Request Requirements

- 6.5. The requirements for the provision of information in this part are for the benefit of CMS and may be waived, in whole or in part, by CMS in its discretion at any time by notice in writing to the Prospective User.

Access Request is Irrevocable Offer

- 6.6. An Access Request, when any Additional Information requested has been provided and notwithstanding the notification by CMS of any Condition constitutes:
- (a) in the case where no Condition has been imposed, from the date on which the Access Request or amended Access Request was lodged or deemed to have been lodged; and
 - (b) in the case where one or more Conditions has been imposed, from the last date for non-acceptance of the last of those Conditions that occurs without the Prospective User having notified CMS of non-acceptance

an irrevocable offer by the Prospective User to CMS for it to use and pay for the Gas transportation services set out in the Access Request (**Access Request Offer**), subject only to any counter offer CMS may choose to make.

Date Access Request Lodged

- 6.7. Subject to the requirements in this part for Additional Information and amended Access Requests a Prospective User's Access Request is deemed to have been lodged on the date on which it was noted as first received by CMS.

Additional Information for Access Request

- 6.8.
- (a) If the information provided by the Prospective User in an Access Request or an amended Access Request is incomplete or insufficient for CMS to consider the Prospective User's request, then CMS will notify the Prospective User of the additional information (**Additional Information**) required.

- (b) If the Additional Information is provided within 7 Business Days of receipt of CMS' notification, then the Prospective User's Access Request will continue to be deemed to have been lodged on the date on which it was noted as first received by CMS.
- (c) If the Additional Information is not provided within 7 Business Days of receipt of CMS' notification, then the Prospective User's Access Request will be deemed to have been lodged on the date on which the last of the Additional Information is received by CMS.
- (d) If the Additional Information is not provided within 28 days of receipt of CMS' notification, then the Prospective User's Access Request will be deemed to have lapsed on the expiry of the 28 days.
- (e) An Access Request which makes provision for an indication of preparedness by the Prospective User to contribute reasonable costs towards Further Investigations or Enhanced Facilities or both, and which has not been completed in this respect will be deemed to be incomplete and treated similarly as above for any Access Request requiring Additional Information.

Amended Access Request

6.9.

- (a) A Prospective User may amend an Access Request at any time by submitting a further Access Request.
- (b) If the amendment is limited to a reduction in the amount of Capacity requested, or to indicate that the User is prepared to contribute reasonable costs towards Further Investigations or Enhanced Facilities or both, the amended Access Request will continue to be deemed to have been lodged on the date on which the original Access Request was deemed to have been lodged with CMS.
- (c) In all other cases, the amended Access Request will be deemed to have been lodged on the date on which it was received by CMS, or deemed to have been lodged with CMS.
- (d) CMS may accept or reject at its absolute discretion an amended Access Request.

Notification to Prospective User

- 6.10. Within 30 days of receipt of a completed Access Request (including payment of the Service Request Administration Fee and receipt of any Additional Information), CMS will notify the Prospective User that:
- (a) Spare Capacity exists to satisfy the Access Request and:
 - (i) in the case of an Access Request for a Reference Service that has no Conditions imposed that it accepts the Access Request Offer effective from the date of notification and from that date it is bound by the Service Agreement referred to in clause 7.1;
 - (ii) in the case of an Access Request for a Reference Service that has had one or more Conditions imposed on it that it will accept the Access Request Offer effective from the date that offer becomes irrevocable under clause 6.6(b) and from that date it is bound by the Service Agreement referred to in clause 7.1; and
 - (iii) in the case of an Access Request for a Non-Reference Service the terms and conditions upon which it is prepared to make the Service available, and from when, and from that date it is prepared to be bound by the Service Agreement referred to in clause 7.2; or
 - (b) Spare Capacity does not exist to satisfy the Access Request, and if so:
 - (i) if the Prospective User has indicated that it is not prepared to contribute reasonable costs towards Enhanced Facilities, what aspects of the Access Request cannot be satisfied, and when they might be able to be met, based on current commitments and whether or not a Queue exists for that Service; or
 - (ii) if the Prospective User has indicated its preparedness to contribute reasonable costs towards Enhanced Facilities, CMS will provide the Developable Capacity to accommodate the Access Request; or
 - (c) CMS requires to undertake Further Investigations prior to responding to the Access Request, and if so:
 - (i) the nature of those investigations;

- (ii) the plan, including timetable, for completing those investigations; and
- (iii) any costs which the Prospective User will or may be required to pay in respect of those investigations; or
- (d) CMS is rejecting the Access Request due to:
 - (i) CMS not being reasonably satisfied as to the provision of information in this part; or
 - (ii) the Prospective User or any Related Corporation of the Prospective User being in default of any other Service Agreement or Grandfathered Contract; or
 - (iii) Additional Information not being provided in the designated time.

Further Investigations

6.11.

- (a) Subject to the Prospective User contributing the costs notified under clause 6.10(c)(iii), CMS will undertake the Further Investigations notified under clause 6.10(c) with all reasonable diligence and as far as reasonably practicable in accordance with the timetable notified to the Prospective User, and within 30 days of completing its investigations will process the Access Request in accordance with this part.
- (b) If the Prospective User declines to contribute the amount notified under clause 6.10(c)(iii) or fails to contribute same within 30 days of the notice, a notice containing the information in clause 6.10(b)(i) will be issued.

Counter-offer by CMS

6.12.

- (a) If the Prospective User has indicated that it is not prepared to contribute reasonable costs towards Enhanced Facilities and there is some but insufficient Spare Capacity to satisfy the whole of an Access Request, CMS may, but is not obliged to, make a counter-offer to the Prospective User.
- (b) If the Prospective User rejects the counter-offer, or does not accept the counter-offer within 30 days, the Prospective User's Access Request which was the subject of the counter-

offer will be deemed to stand and will be processed in accordance with the provisions of this part 6.

Vexatious Access Requests

- 6.13. Notwithstanding anything else contained in this part, if CMS considers that an Access Request has been lodged for reasons which are vexatious, frivolous or anti-competitive it may refuse to consider that Access Request, it will notify the Prospective User accordingly and will return the Access Request (including all accompanying documentation) to the Prospective User.

Withdrawal of Access Request

- 6.14. A Prospective User may withdraw its Access Request at any time by notice in writing to CMS prior to acceptance of the Access Request Offer, or it being placed in a Queue.

Lapse of Access Request

- 6.15. If CMS accepts an Access Request Offer, or notifies the User that Spare Capacity does not exist to satisfy the Access Request, or completes Further Investigations, or makes a counter offer, and if:

- (a) CMS and the Prospective User have not entered into a Service Agreement , or all Conditions in the nature of conditions precedent have not been satisfied; and
- (b) a Section 6 Dispute has not been notified to the Regulator,

within:

- (c) one month of the date of CMS' notification or such extended period as may be agreed by CMS, in the case of an Access Request for a Reference Service; or
- (d) 3 months of the date of CMS' notification or such extended period as may be agreed by CMS, in the case of an Access Request for a Non-Reference Service,

then the Access Request is deemed to have lapsed.

Service Request Administration Fee

6.16.

- (a) The Service Request Administration Fee (**Fee**) is an indication of the Prospective User's bona fides in lodging an

Access Request and, if relevant, holding a position on any Queue and is non-refundable except where:

- (i) CMS considers the circumstances of the Access Request warrant making a whole or partial refund; or
 - (ii) the Prospective User is notified that no Queue exists for the Service requested and the parties do not enter into a Service Agreement
- (b) The Fee is \$10,000.
- (c) The Fee:
- (i) does not accrue interest; and
 - (ii) will be applied towards defraying CMS' costs and expenses in receiving, reviewing, processing and administering the Access Request; and
- (d) CMS may waive all or part of the Fee.

Existing Grandfathered Contracts

6.17. Subject to the provisions of any Grandfathered Contracts, CMS will deal with any request for additional Capacity under an extension of the term of, or any other variation of the terms of, Grandfathered Contracts in accordance with the terms of that Grandfathered Contract.

7. TERMS AND CONDITIONS FOR PROVIDING SERVICES

Terms of Reference Services

7.1. The terms and conditions on which Reference Services are to be provided by CMS to a Prospective User are those contained in:

- (a) the General Terms and Conditions;
- (b) the Reference Service Agreement between CMS and the Prospective User; and
- (c) any Conditions.

Terms of Non-Reference Service

7.2. The terms and conditions on which CMS will provide Non-Reference Services to a Prospective User will be those contained in

the Non-Reference Service Agreement entered into between CMS and the Prospective User.

Conditions

7.3.

- (a) CMS may notify a Prospective User that CMS is prepared to make available a Service subject to specified Conditions being satisfied as conditions precedent or observed as conditions subsequent.
- (b) The Conditions may relate to any matter reasonably required by CMS to protect or secure its position under any proposed Service Agreement, including:
 - (i) the occurrence of a defined event including installation and commissioning of Enhanced Facilities or third party equipment, processing facilities or infrastructure;
 - (ii) a Performance Security being provided by the Prospective User, any of its Related Corporations or any other person on terms acceptable to CMS in order to satisfy the requirements of the Access Request; and
 - (iii) copies of insurance policies or other evidence reasonably required by CMS being provided, which provide reasonable indication to CMS that the Prospective User has insurance policies sufficient to satisfy the indemnities which the Prospective User will be required to provide under the proposed Service Agreement .
- (c) Unless the Prospective User notifies CMS to the contrary within 7 Business Days of receiving notice of the Conditions, the Prospective User is deemed to have accepted and agreed to be bound by the Conditions notified by CMS, which will form part of the Service Agreement.

Service Agreement

7.4. The Prospective User becomes bound to the Service Agreement and bound to satisfy or observe all Conditions:

- (a) in the case where Spare Capacity exists to satisfy the Access Request and it is an Access Request for a Reference Service,

- from the date that CMS becomes bound by the Service Agreement under clause 6.10(a)(i) or (ii);
- (b) in the case where Spare Capacity exists to satisfy the Access Request and it is an Access Request for a Non-Reference Service, from the date that CMS is prepared to be bound by the Service Agreement under clause 6.10(a)(iii);
 - (c) in the case where Spare Capacity does not exist to satisfy the Access Request and the Prospective User has indicated a preparedness to contribute reasonable costs towards Enhanced Facilities, from the date that CMS gives a notification under clause 6.10(b)(ii);
 - (d) in the case where CMS has to undertake Further Investigations under clause 6.10(c) and 6.11, from the date, following completion of these investigations, that CMS gives a notification under clause 6.10(a) and 6.11; and
 - (e) in the case where CMS makes a counter-offer under clause 6.12, from the date of acceptance by the Prospective User of the counter-offer.

Alternative Date of Agreement

- 7.5. Notwithstanding the foregoing, CMS and a Prospective User may agree an alternative date for becoming mutually bound to a Service Agreement.

Reservation Tariffs

- 7.6. Extended Reservation Tariffs apply from the later of the Date of Agreement or satisfaction or waiver of any Conditions, in the nature of conditions precedent.

Dispute as to Terms

- 7.7. Any dispute as to the terms and conditions on which Reference Services or Non-Reference Services are to be provided may be resolved as a Section 6 Dispute.

8. CAPACITY MANAGEMENT POLICY

Contract Carriage Pipeline

- 8.1. The Parmelia Pipeline is a Contract Carriage pipeline as defined in Section 10.8 of the Code.

9. TRADING POLICY

Rights to Transfer or Assign

- 9.1. A User's rights to transfer or assign all or part of its rights under a Service Agreement are set out in part 20 of the General Terms and Conditions.

10. QUEUING POLICY

Queuing Policy

- 10.1. The Queuing Policy set out in this part determines the manner and priority in which Spare Capacity and Developable Capacity will be made available to Prospective Users in the future, where Spare Capacity is not currently available to satisfy an Access Request and the Prospective Users have
- (a) declined or failed to pay the costs of Further Investigations under clause 6.11; or
 - (b) indicated that they are not prepared to contribute towards Enhanced Facilities.

Principles of Queuing Policy

- 10.2. The principles of the Queuing Policy applicable to a Queue are:
- (a) fair and equitable treatment among Prospective Users;
 - (b) Access Requests will generally be dealt with on a first lodged first served basis, but during times of high demand for pipeline services and open seasons and similar invitations, Access Requests may be dealt with so that pipeline utilisation and economically efficient outcomes for the Parmelia Pipeline are maximised;
 - (c) to accommodate, to the extent reasonably possible, the legitimate business interests of CMS, Users and Prospective Users; and
 - (d) to generate, to the extent reasonably possible, economically efficient outcomes in the operation of the Parmelia Pipeline as a whole having regard to all relevant economic and operating factors including the maximum utilisation of the Capacity of the Parmelia Pipeline, the Capacity and Term sought in all Access Requests and the safe operating capability and constraints of the Parmelia Pipeline.

Separate Queue for each Reference Service

10.3.

- (a) A separate Queue will exist for each of the following Reference Services:
 - (i) Firm Extended
 - (ii) Interruptible Extended
- (b) A Queue will exist whenever there is insufficient Spare Capacity to satisfy an Access Request which has been lodged with CMS.

Access Request Placed in Queue

10.4. A Prospective User's Access Request will be placed in the Queue when the Prospective User's Access Request has not been refused, the Prospective User has been notified that there is insufficient Spare Capacity to satisfy its Access Request, and the Prospective User has not indicated a preparedness to contribute reasonable costs towards Enhanced Facilities.

Notification on Being Placed in Queue

- 10.5. If an Access Request is placed in the Queue, CMS will notify the Prospective User of:
- (a) the existence of the Queue and the position in the Queue of the Queued Access Request;
 - (b) the aggregate Capacity sought by other Prospective Users (if any) which are ahead in the Queue;
 - (c) an estimate of when Capacity may become available, based on current commitments; and
 - (d) any engineering, technical or commercial investigations that are required to determine how the requested Service can be provided.

Notification of Timing of Capacity Requirements

10.6. Prospective Users who have one or more Queued Access Requests must inform CMS of any circumstances or events which may alter their requirement for Capacity within 30 days of such circumstances arising or events occurring.

Notification on Change in Queue

- 10.7. CMS will notify Prospective Users whenever a change occurs in the positions of Prospective Users in the Queue or whenever there is a change in the Capacity sought by Prospective Users that are ahead in the Queue.

Priority in Queue

- 10.8. The priority of Prospective Users' Queued Access Requests in a Queue will be determined by the date on which each of their completed Queued Access Requests is lodged with CMS or is deemed to have been lodged with CMS or by criteria which reasonably address issues of pipeline utilisation and economically efficient outcomes for the Parmelia Pipeline during times of high demand for pipeline services and open seasons and similar invitations.

Number of Positions on Queues

- 10.9. A Prospective User may have:
- (a) a position in more than one Queue; and
 - (b) more than one position in a Queue, provided the second and subsequent Queued Access Requests are for additional, and not substituted, Capacity.

Maintenance of Position in Queue

- 10.10.
- (a) In order to maintain its position in a Queue, a Prospective User must:
 - (i) submit continuing reasonable evidence of its solvency and creditworthiness at least once every 6 months, or at such other intervals as may be reasonably specified by CMS, from the date on which the Prospective User submitted the Access Request; and
 - (ii) not be, nor may a Related Corporation be, in default for a period of more than 7 Business Days under any other Service Agreement or Grandfathered Contract.
 - (b) CMS may waive the benefit of a provision in subclause (a) by notice to the Prospective User. The waiver will operate

for the period specified in the notice, or if no period is specified, until such time as CMS notifies the Prospective User that the waiver no longer operates.

Removal from Queues

10.11. All Queued Access Requests of a Prospective User and any of its Related Corporations will be removed from and lose all positions in all Queues if:

- (a) the Prospective User fails to comply with any requirements regarding Access Requests; or
- (b) the Prospective User or a Related Corporation defaults for a period of more than 7 Business Days under any other Service Agreement or Grandfathered Contract; or
- (c) CMS forms the view that a Queued Access Request has been lodged for vexatious, frivolous or anti-competitive reasons.

Availability of Spare Capacity or Developable Capacity

10.12. If Spare Capacity becomes available or Developable Capacity is provided, CMS will use all reasonable endeavours to notify Prospective Users of that Spare Capacity or Developable Capacity in an order and manner which has regard to:

- (a) the principles of the Queuing Policy; and
- (b) the rights of Users under Grandfathered Contracts.

Acceptance of Capacity by Prospective User: First Queue Position

10.13.

- (a) Subject to the provisions for removal of Access Requests from Queues and availability of Spare Capacity or Developable Capacity this clause sets out the order in which CMS will use all reasonable endeavours to notify any Spare Capacity or Developable Capacity (as the case may be) to Prospective Users in a Queue.
- (b) If the Spare Capacity or Developable Capacity which has become available is equal to or greater than the Capacity sought in the first Queued Access Request in the queue, CMS will notify that Prospective User that Spare Capacity exists to satisfy the Access Request and that it accepts the

Access Request Offer effective from the date applicable and from that date it is bound by the Service Agreement.

- (c) If the Spare Capacity or Developable Capacity which has become available is less than the Capacity sought in the first Queued Access Request in the Queue, CMS will notify the associated Prospective User that Spare Capacity or Developable Capacity has become available but that this Capacity is insufficient to satisfy the Access Request and that CMS will consider an amended Access Request which seeks the Spare Capacity or Developable Capacity currently available.
- (d) If the Prospective User submits within 30 days an amended Access Request which seeks the Spare Capacity or Developable Capacity currently available and is identical to the previous Access Request in all other respects, CMS will process the amended Access Request on the basis that the Spare Capacity or Developable Capacity which has become available is equal to or greater than the Capacity sought.
- (e) If the Prospective User submits within 30 days an amended Access Request which commits to a contribution towards Developable Capacity and is identical to the previous Access Request in all other respects, CMS will accept the Access Request Offer effective from the date applicable and from that date it will be bound by the Service Agreement.

Acceptance of Capacity by Prospective User: Second and Subsequent Queue Positions

10.14. If the first Prospective User in the Queue does not submit an amended Access Request within 30 days, then CMS will inform the Prospective User next in the Queue, and the provisions for acceptance of Capacity by Prospective Users will apply similarly until all of the Spare Capacity is taken up.

Removal from Queue on Service Agreement

10.15. Without affecting any other provision of this part, a Prospective User's Queued Access Request will be removed from the Queue, in respect of the amount of Spare Capacity or Developable Capacity notified if:

- (a) a Service Agreement is entered into by the parties; or
- (b) the Prospective User accepts an Offer, but refuses to execute a Service Agreement; or

- (c) CMS forms the view that a Queued Access Request has been lodged for vexatious, frivolous or anti-competitive reasons.

Removal from Queue on Withdrawal

10.16. On receipt of a notice of withdrawal of the Access Request, the Queued Access Request will be removed from the Queue.

Assignment of Queue Position

10.17.

- (a) A Prospective User may only assign its position in a Queue:
 - (i) to a person who is a bona fide purchaser of the assets or business to which the Queued Access Request relates; and
 - (ii) if the assignee submits a completed Order Form in identical terms as that forming part of the Queued Access Request (except for the name and other details relevant to the assignee and), provides reasonable evidence as to matters of solvency and creditworthiness, as if it was a Prospective User under those conditions; and
 - (iii) if the assignee or any of its Related Corporations are not in default of any other Service Agreement or Grandfathered Contract.
- (b) The rights and obligations of CMS and the assignee in respect of the Queued Access Request and position in a Queue will be the same as existed between CMS and the Prospective User prior to the assignment, except CMS may require additional or other Conditions to be satisfied.

Existing Grandfathered Contracts

10.18.

- (a) The rights of any Prospective User under and the operation of this part is subject to and conditional on CMS complying with and satisfying any legal or contractual obligations it has to provide additional Capacity under or to extend the term of a Grandfathered Contract.
- (b) If CMS is not legally or contractually obliged to provide additional Capacity under or to extend the term of a

Grandfathered Contract, but receives a request from the User under a Grandfathered Contract to do so, CMS will use all reasonable endeavours to treat that request in a similar manner to a Queued Access Request and as part of a Queue under this part, if the conditions regarding maintenance of position in queue are satisfied in relation to a request under this subclause.

11. EXTENSIONS/EXPANSIONS POLICY

Extensions/Expansions

11.1. CMS will use all reasonable endeavours to extend or expand the Capacity of the Parmelia Pipeline where the proposed extension or expansion:

- (a) is technically and economically feasible; and
- (b) is consistent with the safe and reliable operation of the Parmelia Pipeline; and
- (c) receives all relevant regulatory approvals; and
- (d) has regard to good pipeline industry practice.

Investigations as to Enhanced Facilities

11.2.

- (a) If:
 - (i) an Access Request (including any Access Request the effect of which is to increase an existing User's MDQ or to request additional Capacity for an existing User) is lodged;
 - (ii) Spare Capacity is not likely to become available in the reasonably foreseeable future, based on current commitments, to satisfy that Access Request; and
 - (iii) that Access Request is reasonably likely to be satisfied by Developable Capacity, if provided

CMS will undertake reasonable investigations as to the nature, extent and approximate cost of Enhanced Facilities required to provide that Developable Capacity, subject to the payment by the Prospective User of the cost of those Further Investigations and the Prospective User committing

to make an agreed contribution to the costs of those Enhanced Facilities.

- (b) CMS may of its own accord undertake investigations as to possible Enhanced Facilities from time to time.

Application of Arrangement to Pipeline Extension/Expansion

11.3.

- (a) A pipeline extension or expansion will be subject to this Access Arrangement and will form part of the Parmelia Pipeline for the purposes of this Access Arrangement if CMS so elects, with the Regulator's consent.
- (b) If the nature of the pipeline extension or expansion is such that an amendment to this Access Arrangement is required, CMS will lodge an amended Access Arrangement with the Regulator.
- (c) A pipeline extension or expansion which CMS elects, with the Regulator's consent, to be subject to this Access Arrangement, will become subject to this Access Arrangement:
 - (i) if an amendment to this Access Arrangement is required as a result, on the date on which approval by the Regulator of the amendment takes effect; or
 - (ii) otherwise, on the date elected by CMS and consented to by the Regulator.

Pipeline Extension/Expansion and Tariffs

11.4.

- (a) Pipeline extension or expansions will result in no change to Reference Services Tariffs applied to a User when those extensions or expansions have been fully funded by that User's capital contributions.
- (b) Incremental Users as defined in the Code which have not made capital contributions towards Incremental Capacity as defined in the Code which they use and which has been funded by others will be liable to pay for surcharges as allowed for in section 8 of the Code.

- (c) Pipeline extensions or expansions funded by CMS may result in the application of surcharges as allowed for in section 8 of the Code.

12. REVIEW

Review of Access Arrangement

12.1. If the term of this Access Arrangement is proposed to be extended:

- (a) the Revisions Submission Date for the purposes of clause 3.17(a) of the Code is 31 October 2003; and
- (b) the Revisions Commencement Date for the purposes of clause 3.17(b) of the Code is 1 May 2004,

but otherwise no review of this Access Arrangement is intended during the term of this Access Arrangement, except as provided in this part.

Other Reviews

12.2. CMS may conduct a review of this Access Arrangement at any time, including if any of the following events occur:

- (a) a Pipeline Extension which is subject to this Access Arrangement is undertaken;
- (b) there is a material or significant change in the market, economic, political or general regulatory conditions or circumstances from those which, at the Effective Date, are forecast and assumed will exist for the duration of this Arrangement;
- (c) there is a change in the provisions or administration of any Act or other law, including the Code or the Trade Practices Act 1974 (Cth), which necessitates a review of this Access Arrangement; or
- (d) any other event occurs which requires this Access Arrangement to be updated or amended under any other provision of this Access Arrangement.

12.3. This Access Arrangement has been prepared on the state of knowledge at the Effective Date of the proposed introduction of a goods and services tax. CMS may conduct a review of this Access Arrangement if the goods and services tax, when it is introduced,

or its application or effect is different from what was understood at the Effective Date.

Lodge Amended Access Arrangement

- 12.4. CMS will lodge an amended Access Arrangement if that is required as a result of conducting the reviews referred to in this part.

13. SERVICE STANDARDS

Operation and Maintenance Commitment

- 13.1. CMS is committed to operating and maintaining and will use all reasonable endeavours to operate and maintain the Parmelia Pipeline in a safe, reliable and efficient manner, having regard to good pipeline industry practice, for the current and future benefit of CMS, Users and Prospective Users of the Parmelia Pipeline.

Consultation on Forecasting and Planning

- 13.2. CMS will endeavour to consult with Users and Prospective Users in relation to forecasting and planning requirements for future demand of Services, including as part of its deliberations in relation to any proposed Enhanced Facilities for Developable Capacity or any other proposed Pipeline Extension.

Interruption of Services

- 13.3. CMS may interrupt or reduce the provision of services in the manner set out in parts 12 and 17 of the General Terms and Conditions.

ACCESS ARRANGEMENT

PIPELINE MAPS

INSERT MAP:

NATURAL GAS PIPELINES IN AUSTRALIA

INSERT MAP:

NATURAL GAS PIPELINES IN WESTERN AUSTRALIA

INSERT MAP:

PARMELIA PIPELINE SYSTEM: DONGARA TO PINJARRA

INSERT MAP:

PARMELIA PIPELINE SYSTEM: PERTH METROPOLITAN AREA

ACCESS ARRANGEMENT

APPENDIX 1

DEFINITIONS AND INTERPRETATION

ACCESS ARRANGEMENT

APPENDIX 1

DEFINITIONS AND INTERPRETATION

Definitions - General

- 1.1 In the Access Arrangement and any Service Agreement (as defined below), unless the contrary intention appears:

Access Arrangement means the document entitled "Access Arrangement - Parmelia Pipeline" comprising parts 1 to 13 and all annexures and schedules to that document, as may be amended or revised from time to time, and as is approved by the Regulator under the Code.

Access Request means a request for access to a Service made in accordance with the Access Arrangement.

Access Request Offer has the meaning in clause 6.6 of the Access Arrangement.

Additional Information has the meaning in clause 6.7 of the Access Arrangement.

Anti-competitive means having the purpose, effect or likely effect of substantially lessening, preventing or hindering competition in a market.

Australian Western Standard Time means "standard time" as defined in The Standard Time Act 1895 (Western Australia) and for avoidance of doubt is to be distinguished from and does not include "summer time" as defined in the Daylight Saving Act 1991 (Western Australia).

Bare Transfer has the meaning in clause 20.2 of the General Terms and Conditions.

Business Day means a day on which trading banks are open for general business in Perth, not being a Saturday or Sunday, under Australian Western Standard Time.

Capacity means the measure of the potential of the Parmelia Pipeline as currently configured and operated in a prudent manner consistent with good pipeline industry practice to deliver a particular Service between a Receipt Point and a Delivery Point at a point in time.

CMS means CMS Gas Transmission of Australia, a Cayman Islands corporation with limited liability, ARBN 078 902 397 of 8 Marchesi Street, Kewdale, Western Australia 6105.

Code means the National Third Party Access Code for Natural Gas Pipeline Systems, as adopted by the Natural Gas Pipelines Access Agreement dated 7 November 1997 between the Commonwealth, State and Territory Governments and as enacted in Western Australia by the Gas Pipelines Access (Western Australia) Act 1998 (Western Australia).

Commencement Date means the date for commencement of provision of a Service under a Service Agreement, as specified in the applicable Order Form.

Condition means a condition of the type referred to in clause 7.3 of the Access Arrangement.

Confidential Information means information of the type referred to in clause 24.1 of the General Terms and Conditions.

Consent Transfer has the meaning in clause 20.4 of the General Terms and Conditions.

CPI means the Consumer Price Index (All Groups for Perth, Western Australia) as first published for each Quarter by the Australian Bureau of Statistics for any Quarter and if such Index ceases to be published, any official replacement index published by the Australian Bureau of Statistics and, in the absence of any official replacement index, an index nominated by CMS which is prepared and published by a government authority or independent third party and which most closely approximates the Consumer Price Index.

CPI Escalator means the value calculated from the following formula:

$$CPI_N = \frac{(CPI_{N-2} - CPI_0)}{CPI_0}$$

where:

CPI_{N-2} is the CPI for the Quarter commencing 6 months prior to commencement of Quarter N ;

CPI_0 is the number 119.8

being the CPI for the Quarter commencing on 1 January 1999; and Quarter N is the Quarter for which the CPI Escalator is being applied.

Cumulative Gas Imbalance has the meaning in clause 7.2(a) of the General Terms and Conditions.

Cumulative Gas Imbalance Charge has the meaning in clause 10.3 of the General Terms and Conditions.

Daily Gas Imbalance has the meaning in clause 7.2(a) of the General Terms and Conditions.

Daily Gas Imbalance Correction Allowance means a quantity of Gas equal to MDQ multiplied by the factor 0.10.

Daily Overrun Charge has the meaning in clause 10.4 of the General Terms and Conditions.

Daily Overrun Quantity has the meaning in clause 7.3(a) of the General Terms and Conditions.

Daily Overrun Tolerance has the meaning in clause 7.3(a) of the General Terms and Conditions.

Daily Underrun Charge has the meaning in clause 10.5 of the General Terms and Conditions.

Daily Underrun Quantity has the meaning in clause 7.4(a) of the General Terms and Conditions.

Daily Underrun Tolerance has the meaning in clause 7.4(a) of the General Terms and Conditions.

Date of Agreement means the date from which the Prospective User becomes bound to the Service Agreement under clause 7.4 of the Access Arrangement.

Day has the same meaning as Gas Day and **Daily** has a corresponding meaning.

DBNGP means the pipeline system known as the Dampier to Bunbury Natural Gas Pipeline, as is defined by the term **corporation's DBNGP system** in the Dampier to Bunbury Pipeline Act 1997.

Delivery Point means the point at which Gas is supplied by CMS from the Parmelia Pipeline to the User pursuant to a Service Agreement, being the outlet flange to the Metering Facility or other pipeline fitting or component designated by CMS on the Parmelia Pipeline at the delivery point specified in the Order Form, or as may be changed under clause 5.11 of the General Terms and Conditions.

Delivery Point Change has the meaning in clause 5.11(a) of the General Terms and Conditions.

Developable Capacity means the difference between:

- (a) the Capacity; and
- (b) the Capacity which would be available if additions of plant or pipeline or both were made, but excluding any extension of the geographic range of the Parmelia Pipeline.

Dispute Resolution Procedure means resolution of a dispute under parts 25 and 26 or 27 of the General Terms and Conditions.

Effective Date means the date on which the Access Arrangement comes into effect, as specified by the Regulator.

Encumbrancee has the meaning in clause 20.9 of the General Terms and Conditions.

Encumbrances means mortgages, charges, pledges, bills of sale, liens, assignments by way of security, overriding interests, earned interests, net profit interests or other interests by whatever name called.

Enhanced Facilities means any additions of plant or pipeline or both required or made to provide Developable Capacity.

Extended Commodity Charge has the meaning in clause 8.3 of the General Terms and Conditions.

Extended Commodity Tariff has the meaning in clause 8.3 of the General Terms and Conditions and is calculated in accordance with part 9 of the General Terms and Conditions.

Extended Reservation Charge has the meaning in clause 8.3 of the General Terms and Conditions.

Extended Reservation Tariff has the meaning in clause 8.3 of the General Terms and Conditions and is calculated in accordance with part 9 of the General Terms and Conditions.

Extended Service means a Firm Extended Service or an Interruptible Extended Service.

Firm Extended Service has the meaning in clauses 4.3 and 4.4 of the General Terms and Conditions.

Firm Spot Service has the meaning in clauses 4.7 and 4.8 of the General Terms and Conditions.

Further Investigations means investigations undertaken or required to be undertaken by CMS in order to assess whether Spare Capacity exists for the purposes of dealing with an Access Request.

Force Majeure has the meaning in clause 17.2 of the General Terms and Conditions.

forward haul means the receipt, transportation and delivery of Gas between a Receipt Point and a Delivery Point where the direction of flow of gas is defined by CMS.

Fuel Gas means Gas used in the operation of compression and transportation of Gas in the Parmelia Pipeline.

Gas means a naturally occurring mixture of one or more hydrocarbons which normally exists in a gaseous state and can include one or more of hydrogen sulphide, nitrogen, helium, carbon dioxide and other gases.

Gas Day means a period of 24 consecutive hours, beginning and ending at 0800 Australian Western Standard Time.

Gas Delivered is the quantity of Gas delivered to the User, determined in accordance with clause 5.5, 5.8 or 5.9 of the General Terms and Conditions, as the case requires.

Gas Imbalance Tolerance has the meaning in clause 7.2(a) of the General Terms and Conditions.

Gas Received is the quantity of User Gas received into the Parmelia Pipeline, determined in accordance with clause 5.4, 5.7 or 5.9 of the General Terms and Conditions, as the case requires.

Gas Specifications has the same meaning in clause 13.2 of the General Terms and Conditions.

General Terms and Conditions means:

- (a) in the Access Arrangement - the General Terms and Conditions forming Appendix 3 to the Access Arrangement, as amended from time to time with the approval of the Regulator; and
- (b) in a Service Agreement - those General Terms and Conditions forming Appendix 3 to the Access Arrangement as applicable at the Date of Agreement (with such variation as may occur under its

terms during the Term) or as are otherwise varied by agreement of the parties.

GJ means a gigajoule, as defined in the National Measurement Regulations (Commonwealth), being 1000 megajoules.

good pipeline industry practice means practices, methods and acts which would be expected to be undertaken or exercised by a skilled, competent and experienced person in the gas pipeline industry in Australia under similar circumstances in a manner consistent with all laws and regulations, reliability, safety, environmental protection, economy and expedition and that makes that level of nominal capital expenditures and incremental operating expenditures that are commercially acceptable.

Grandfathered Contracts means all contracts for the provision of Gas transportation services by CMS whether or not in conjunction with other services entered into before the latest date for complying with the ringfencing provisions of the Code.

Gross Heating Value means the gross number of joules produced by the combustion at constant pressure of the volume of one cubic metre of dry gas at MSC with air of the same temperature and pressure as the gas, when the products of combustion are cooled to the initial temperature of the gas and air, and when the water formed by combustion is condensed to the liquid state, corrected to a water-vapor-free basis and expressed at MSC.

GST has the meaning in clause 21.6(g) of the General Terms and Conditions.

GST Rate Change has the meaning in clause 21.6(g) of the General Terms and Conditions.

Hour means each hour commencing and ending on the hour in a Gas Day and **Hourly** has a corresponding meaning.

Hourly Gas Imbalance Correction Allowance means a quantity of Gas equal to MHQ multiplied by the factor 0.10.

Hourly Overrun Charge has the meaning in clause 10.6 of the General Terms and Conditions.

Hourly Overrun Quantity has the meaning in clause 7.5(a) of the General Terms and Conditions.

Hourly Overrun Tolerance has the meaning in clause 7.5(a) of the General Terms and Conditions.

Impost means any existing or new impost, deduction or charge imposed by any government in respect of the production, transportation, supply or delivery of Gas, including any rents, rates (but not land taxes or municipal rates or like charges), fees, royalty, resources rent tax, carbon taxes, or such similar tax and other taxes, levy, excise and severance tax, but does not include any income tax or GST.

Insolvency Event means the happening of any of these events:

- (a) an application is made to a court for an order or an order is made that a body corporate be wound up;
- (b) an application is made to a court for an order appointing a liquidator or provisional liquidator in respect of a body corporate, or one of them is appointed, whether or not under an order;
- (c) a meeting is convened or a resolution is passed to appoint an official manager or an administrator in respect of a body corporate;
- (d) except to reconstruct or amalgamate while solvent, a body corporate enters into, or resolves to enter into, a scheme of arrangement or composition with, or assignment for the benefit of, all or any class of its creditors, or it proposes a reorganisation, moratorium or other administration involving any of them;
- (e) a body corporate resolves to wind itself up, or otherwise dissolve itself or gives notice of intention to do so, except to reconstruct or amalgamate while solvent or is otherwise wound up or dissolved;
- (f) a body corporate is or states that it is unable to pay its debts when they fall due;
- (g) a body corporate is, or makes a statement from which it may be reasonably deduced that the body corporate is, the subject of an event described in section 459C(2) or 585 of the Corporations Law;
- (h) a body corporate takes any step to obtain protection or is granted protection from its creditors, under any applicable legislation;
- (i) an application is made to a court for an order appointing a receiver or receiver and manager in respect of any assets of a body corporate or person, or one of them is appointed, whether or not under an order;

- (j) a person becomes an insolvent under administration as defined in section 9 of the Corporations Law or action is taken which could result in that event; or
- (k) anything analogous or having a substantially similar effect to any of the events specified above happens under the law of any applicable jurisdiction.

Interest Rate means the 90 day bank bill rate quoted by Citibank from time to time plus 3%, and where more than one rate is quoted during the period in respect of which interest is to be calculated, means the average of the rates quoted at the commencement of and during the relevant period, plus 3%.

Interruptible Extended Service has the meaning in clauses 4.5 and 4.6 of the General Terms and Conditions.

Interruptible Spot Service has the meaning in clauses 4.9 and 4.10 of the General Terms and Conditions.

joule has the same meaning as in regulation 31 of the National Measurement Regulations (Commonwealth).

kPa means kilopascal (absolute), as defined in the National Measurement Regulations (Commonwealth) being 1000 pascals.

Maximum Daily Quantity or **MDQ** means the maximum quantity of User Gas expressed in terajoules which CMS agrees to deliver for the User on any Gas Day and as is specified:

- (a) in the Order Form, in the case of a Firm Extended Service or an Interruptible Extended Service; or
- (b) in clause 4.7 of the General Terms and Conditions and in CMS' notice under clause 6.9(c) of the General Terms and Conditions, in the case of a Firm Spot Service or an Interruptible Spot Service.

Maximum Flow Rate or **MFR** has the meaning in clause 7.6(a) of the General Terms and Conditions.

Maximum Flow Rate Overrun Charge has the meaning in clause 10.7 of the General Terms and Conditions.

Maximum Flow Rate Overrun has the meaning in clause 7.6(b) of the General Terms and Conditions.

Maximum Hourly Quantity or **MHQ** has the meaning in clause 7.5(a) of the General Terms and Conditions.

Metering Facilities means the metering and other equipment located on the Parmelia Pipeline for the purpose of measuring and regulating Gas Received and Gas Delivered.

MJ means megajoule, as defined in the National Measurement Regulations (Commonwealth), being 1,000,000 joules.

Month means calendar month beginning at 0800 Australian Western Standard Time on the first day of a calendar month and ending at 0800 Australian Western Standard Time on the first day of the next calendar month.

MSC or **metric standard conditions** means a pressure of 101.325 kPa (absolute) and a temperature of 15°C.

Nomination Day means the Gas Day prior to the Gas Day for which the nomination is being or has been made.

Non-Reference Service means a service other than a Reference Service, relating to the provision of Gas transportation services through the Parmelia Pipeline, but does not include services provided under a Grandfathered Contract.

Non-Reference Service Agreement means an agreement between CMS and the User for the provision of a Non-Reference Service, which is entered into in accordance with the Access Arrangement or as a result of an arbitration under section 6 of the Code and is constituted by:

- (a) the executed and accepted Order Form for a Non-Reference Service or other Order Form;
- (b) notification by CMS of any Conditions (whether on the Order Form or otherwise);
- (c) the applicable Tariff;
- (d) the other terms and conditions agreed by the parties in writing, which may include the General Terms and Conditions; and
- (e) in the case of a Service in the nature of a spot service, all applicable nomination and acceptance forms.

Order Form means an order form as set out in Appendix 2 to the Access Arrangement corresponding to the relevant Reference Service or a Non-Reference Service, and in the case of an Access Request or Service Agreement means the order form which relates to the Access Request or Service Agreement and other attachments to the Order Form.

Parmelia Pipeline means the pipeline system that is the subject of Pipeline Licences PL1, PL2, PL3, PL5 and PL23 issued under the Petroleum Pipelines Act 1969 (WA) and includes:

- (a) all equipment, facilities and structures associated with that part for:
 - (i) protecting, maintaining and supporting the pipeline system;
 - (ii) the compression of Gas in the pipeline system;
 - (iii) regulating the pressure of Gas in, to and from the pipeline system;
 - (iv) controlling and measuring the flow of Gas in, to and from the pipeline system; and
 - (v) operating telemetry and other communications systems in connection with the pipeline system;
- (b) all lateral pipelines which are comprised within those Pipeline Licences at the Effective Date; and
- (c) all Metering Facilities.

party means, in relation to a proposed or actual Service Agreement, CMS or the Prospective User or User, as the case requires.

pascal has the same meaning as in regulation 35 of the National Measurement Regulations (Commonwealth).

Peak Flow Rate has the meaning in clause 7.6(a) of the General Terms and Conditions.

Performance Security means a performance guarantee, bank guarantee, letter of credit, deposit, bond or other form of security reasonably acceptable to CMS to secure the performance of the User's obligations under a Service Agreement.

Pipeline Extension means any extension to or expansion of the Capacity of the Parmelia Pipeline under part 11 of the Access Arrangement.

Prospective User means a person who seeks or who is reasonably likely to seek to enter into a Service Agreement and includes a User who seeks or may seek to enter into a Service Agreement for an additional Service.

Quantity Variation Charges are as described in part 10 of the General Terms and Conditions.

Quarter means a 3 month period commencing on the first day of January, April, July and October in each Year and **Quarterly** has a corresponding meaning.

Queue means any queue established by CMS under clause 10.3(a) of the Access Arrangement.

Queued Access Request means an Access Request for a Reference Service in respect of which a Queue exists under clause 10.3(a) of the Access Arrangement.

Receipt Point means the point at which Gas is received by CMS into the Parmelia Pipeline from the User pursuant to a Service Agreement, being the inlet flange to the Metering Facility or other pipeline fitting or component designated by CMS on the Parmelia Pipeline at the receipt point specified in the Order Form, or as may be changed under clause 5.11 of the General Terms and Conditions.

Receipt Point Change has the meaning in clause 5.11(a) of the General Terms and Conditions.

Reference Service means:

- (a) a Firm Extended Service;
- (b) an Interruptible Extended Service;
- (c) a firm Spot Service; or
- (d) an Interruptible Spot Service

as the case may be.

Reference Service Agreement means an agreement between CMS and the User for the provision of a Reference Service, which arises under and in accordance with the Access Arrangement or as a result of an arbitration under section 6 of the Code and is constituted by:

- (a) the executed and accepted Order Form for the applicable Reference Service;
- (b) notification by CMS of any Conditions (whether on the Order Form or otherwise);
- (c) the Reference Tariff applicable to the Reference Service;
- (d) the General Terms and Conditions; and

- (e) in the case of a Firm Spot Service or an Interruptible Spot Service, the nomination form by the User under clause 6.5 of the General Terms and Conditions and the notification by CMS under clause 6.9 of the General Terms and Conditions.

Reference Tariff means any one of:

- (a) the Extended Reservation Tariff;
- (b) the Extended Commodity Tariff;
- (c) the Spot Reservation Tariff; and
- (e) the Spot Commodity Tariff

as may be varied or redetermined from time to time under Part 9 of the General Terms and Conditions.

Reference Tariff Policy means the principles used to determine the Reference Tariffs.

Regulator means the Relevant Regulator for Western Australia, being the Western Australian Independent Gas Pipelines Access Regulator.

Related Corporation has the same meaning as the term **related body corporate** has in the Corporations Law.

SCM means the quantity of gas that occupies one cubic metre at MSC.

Section 6 Dispute means a dispute notified to the Regulator under section 6 of the Code.

Service means a Reference Service or Non-Reference Service, and in the case of a Service Agreement means the particular Reference Service or Non-Reference Service the subject of that Service Agreement.

Service Agreement means a Reference Service Agreement or a Non-Reference Service Agreement.

Service Request Administration Fee or **Fee** means the fee specified in clause 6.16 of the Access Arrangement.

Shipper means the shipper under a Grandfathered Contract.

Spare Capacity means:

- (a) the difference between the Capacity and the Contracted Capacity; plus

(b) the difference between the Contracted Capacity and the Contracted Capacity which is being used.

Spot Commodity Charge has the meaning in clause 8.4 of the General Terms and Conditions.

Spot Commodity Tariff has the meaning in clause 8.4 of the General Terms and Conditions.

Spot Reservation Charge has the meaning in clause 8.4 of the General Terms and Conditions.

Spot Reservation Tariff has the meaning in clause 8.4 of the General Terms and Conditions.

System Use Gas means the aggregate of User Fuel Gas and User Spent Gas.

System Use Gas Charges has the meaning in part 15 of the General Terms and Conditions.

Tariff means a Reference Tariff or tariff agreed for a Non-Reference Service.

Term means the term of the Service Agreement, being the period referred to in clause 3.1 of the General Terms and Conditions.

Termination Date means the date for termination of provision of a Service under a Service Agreement, as specified in the applicable Order Form.

TJ means terajoule, as defined in the National Measurement Regulations (Commonwealth) being 1000 gigajoules.

Transportation Charges means charges as determined in part 8 of the General Terms and Conditions.

Transportation Tariff means the transportation tariff applicable under the Service Agreement.

Trust has the meaning in clause 29.1 of the General Terms and Conditions.

User means a person who has a current Service Agreement or an entitlement to a Service as a result of an arbitration under section 6 of the Code.

User Fuel Gas means the User's proportion of Fuel Gas, which is determined in accordance with clause 15.1(c) of the General Terms and Conditions.

User Gas means Gas meeting the Gas Specifications or as otherwise agreed by CMS under clause 13.2 of the General Terms and Conditions, admitted into the Parmelia Pipeline from the User or on the User's behalf.

User Spent Gas means the User's proportion of Gas lost or unable to be accounted for, which is determined in accordance with clause 15.2(b) of the General Terms and Conditions.

Week means a period of 7 consecutive days beginning and ending at 0800 Australian Western Standard Time on Monday.

Works has the meaning in clause 11.1 of the General Terms and Conditions.

Year means a period of 365 (or 366 in a leap year) consecutive days commencing at 0800 Australian Western Standard Time on 1 July in each year and ending 0800 Australian Western Standard Time on 1 July in the following year **PROVIDED THAT** the first Year of the Term shall include the broken period from 0800 Australian Western Standard Time on the Commencement Date to 0800 Australian Western Standard Time on 1 July immediately following the Commencement Date and the final Year of the Term shall include the broken period from 0800 Australian Western Standard Time on 1 July immediately preceding the Termination Date to 0800 Australian Western Standard Time on the day immediately following the Termination Date.

Definitions - Arithmetic Operations and Mathematical Functions

1.2 In the Access Arrangement and any Service Agreement:

+ denotes addition;

- denotes subtraction;

* denotes multiplication;

/ denotes division;

parentheses () define the hierarchy of arithmetic operations; and

abs denotes the absolute value function.

Definitions in Other Documents

- 1.3 Except if defined elsewhere in the Access Arrangement and then only to the extent of any inconsistency, words defined in the Code have the same meaning when used in the Access Arrangement.
- 1.4 Except if the context requires otherwise, words which are defined in any part of the Access Arrangement (including the preceding clauses of this Appendix 1 or in the General Terms and Conditions) have the same meaning where used in any other part of the Access Arrangement.

Interpretation

- 1.5 In the Access Arrangement and any Service Agreement, unless the contrary intention appears:
- (a) a reference to a clause or part is a reference to a clause or part of the document in which the reference appears;
 - (b) a reference to a Schedule is a reference to a Schedule to the General Terms and Conditions;
 - (c) a reference to an Appendix is a reference to an Appendix to the Access Arrangements;
 - (d) clause headings are inserted for convenience only and shall not affect the interpretation of the document in which they appear;
 - (e) a reference to the Access Arrangement, Service Agreement or any other document or instrument includes any variation or replacement of any of them, except in the case of the Access Arrangement only when the variation or replacement is approved by the Regulator;
 - (f) a reference to a statute, ordinance, code (including the code) or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
 - (g) the singular includes the plural, the plural includes the singular and any gender includes each other gender;
 - (h) the word **person** includes a firm, a body corporate, an unincorporated association or an authority;
 - (i) a reference to a person includes that person's executors, administrators, successors, substitutes (including persons taking by novation) and permitted assigns;

- (j) an agreement, representation or warranty in favour of two or more persons is for the benefit of them jointly and severally;
- (k) an agreement, representation or warranty on the part of two or more persons binds them jointly and severally;
- (l) **including** is deemed to be followed by the words, **but not limited to** and **includes** is deemed to be followed by the words, **but is not limited to**;
- (m) a reference to currency is a reference to Australian currency and a reference to \$ is a reference to Australian dollars;
- (n) a reference to time is a reference to Australian Western Standard Time;
- (o) a reference to a standard or code is a reference to the standard or code current at the Date of Agreement;
- (p) the final results of calculations shall be represented as, in the case of percentages to the nearest 1/100 of one percent and in the case of prices to the nearest 1/100 of one cent; and

Inconsistency between Documents

- 1.6 If there is any inconsistency between the documents comprising the Service Agreement, then unless any of the documents provide otherwise, the documents shall be interpreted in the following order of priority, to the extent of the inconsistency:
- (a) Order Form; and
 - (b) General Terms and Conditions.

Inconsistency between Service Agreements

- 1.7 If there is any inconsistency between Service Agreements with the same User, then unless any of the Service Agreements provide otherwise, the Service Agreements for the following Services shall be interpreted in the following order of priority, to the extent of the inconsistency:
- (a) Firm Extended Service;
 - (b) Interruptible Extended Service;
 - (c) Firm Spot Service;
 - (d) Interruptible Spot Service.

Inconsistency between Service Agreement and Access Arrangement

- 1.8 If there is any inconsistency between any Service Agreement and the Access Arrangement, then unless either document provides otherwise, the Service Agreement shall be interpreted first in priority to the extent of the inconsistency.

Interpretation of Standards and Codes

- 1.9 If there is any inconsistency between standards and codes referred to in or that relate to the Service Agreement or the Access Arrangement, CMS shall reasonably determine which standard or code is to prevail.

Form of Notices etc.

- 1.10 Where any notice, acceptance, approval, consent, offer or other form of communication is to be given under the Access Arrangement or Service Agreement, it is to be given in writing unless expressly provided otherwise.

Approvals and Consent

- 1.11 Where the Access Arrangement or a Service Agreement provides for CMS to give its approval or consent, CMS may give it conditionally or unconditionally or withhold it, in its absolute discretion, unless expressly provided otherwise.

ACCESS ARRANGEMENT

APPENDIX 2

ORDER FORMS

TO: CMS GAS TRANSMISSION OF AUSTRALIA
ARBN 078 902 397
8 MARCHESI STREET
KEWDALE WA 6105

ORDER FORM
REFERENCE SERVICES
FIRM EXTENDED SERVICE/INTERRUPTIBLE EXTENDED SERVICE *
CMS' ACCESS ARRANGEMENT - PARMELIA PIPELINE

1. USER
Name _____
ACN/ARBN _____
Address _____

2. COMMENCEMENT DATE _____
3. TERMINATION DATE _____
4. SERVICE TYPE Firm Extended Service/Interruptible Extended Service*
(*Delete whichever is inapplicable)
5. RECEIPT POINT _____
6. DELIVERY POINT _____
7. MDQ _____ TJ/Day
8. SPECIAL CONDITIONS REQUESTED BY USER

NOTE: Any requests for changes to the General Terms and Conditions or any other special conditions will make this an Access Request for a Non-Reference Service.

9. ADDRESS FOR SERVICE OF NOTICES

CMS:

MANAGER OF OPERATIONS
CMS GAS TRANSMISSION OF AUSTRALIA
8 MARCHESI STREET
KEWDALE WA 6105
FACSIMILE NO: (08) 9353 2452

USER:

FACSIMILE NO: _____

10 EVIDENCE

The following documents are attached to and form part of this Order Form as evidence of the User's access to Gas supplies and deliveries, and the User's solvency and creditworthiness (as required by subclauses 6.1(b) and (c) of CMS' Access Arrangement).

11. FURTHER INVESTIGATION COSTS

Signify by ticking appropriate box below whether or not User is prepared, if required by CMS to pay the reasonable costs of Further Investigations referred to in subclauses 6.10(c)(iii) and 6.11 of CMS' Access Arrangement.

Yes No

12 ENHANCED FACILITIES COSTS

Signify by ticking appropriate box below whether or not User is prepared, if required by CMS to contribute reasonable costs referred to in subclauses 6.10(b) and 11.2 of CMS' Access Arrangement.

Yes No

16. WARRANTY

The User warrants that all information provided to CMS under CMS' Access Arrangement, for the purposes of an Access Request, to maintain a position in a Queue or to satisfy any Conditions or under or for the purposes of a Service Agreement (including the information contained in any documents attached to and forming part of this Order Form) is true and accurate and is not misleading in any material way (whether by omission or otherwise).

This warranty is given at the time the information is provided to CMS, whether the information was provided before, with, or after this Order Form is lodged with CMS, and whether or not the Order Form is accepted by CMS.

17. ACCESS ARRANGEMENT BUILDING

By signing and lodging this Order Form the User acknowledges and agrees that it has read and is bound by the terms and conditions of the Access Arrangement.

18. SERVICE AGREEMENT

If this Order Form is accepted by CMS and the User agrees or is deemed to have agreed to be bound by any Conditions in terms of clause 7.3 of CMS' Access Arrangement, the User agrees that it is bound by the terms of the Service Agreement as constituted by the following documents:

- (a) this Order Form and all attachments to it;
- (b) notification of any Conditions by CMS (whether on this Order Form or otherwise); and
- (c) the General Terms and Conditions.

DATED the _____ day of _____ AD[]

THE COMMON SEAL of

_____ was affixed in accordance with its articles of association in the presence of:

.....
Signature of authorised person

.....
Signature of authorised person

.....
Office held

.....
Office held

.....
Name of authorised person
(block letters)

.....
Name of authorised person
(block letters)

12. CONDITIONS [To be completed by CMS]

The following Conditions (which are to be satisfied by the User, at its own cost, unless expressly stated otherwise) apply to this Service Agreement:

This Service Agreement is a REFERENCE SERVICE AGREEMENT/NON-REFERENCE SERVICE AGREEMENT*

(*Delete whichever is inapplicable).

Authorised Signatory of CMS

Position Held

Date

NOTE: This Order Form forms part of an Access Request under CMS' Access Arrangement for the Parmelia Pipeline, and will be placed in a Queue if there is no or insufficient Spare Capacity to provide the capacity requested.

TO: CMS GAS TRANSMISSION OF AUSTRALIA
ARBN 078 902 397
8 MARCHESI STREET
KEWDALE WA 6105

ORDER FORM
REFERENCE SERVICES
FIRM SPOT SERVICE/INTERRUPTIBLE SPOT SERVICE *
CMS' ACCESS ARRANGEMENT - PARMELIA PIPELINE

1. USER
Name _____
ACN/ARBN _____
Address _____

2. COMMENCEMENT DATE _____
3. TERMINATION DATE _____
4. SERVICE TYPE Firm Spot Service/Interruptible Spot Service*
(*Delete whichever is inapplicable)
5. RECEIPT POINT _____
6. DELIVERY POINT _____
7. SPECIAL CONDITIONS REQUESTED BY USER

NOTE: Any requests for changes to the General Terms and Conditions or any other special conditions will make this an Access Request for a Non-Reference Service.

8. ADDRESS FOR SERVICE OF NOTICES

CMS:

MANAGER OF OPERATIONS
CMS GAS TRANSMISSION OF AUSTRALIA
8 MARCHESI STREET
KEWDALE WA 6105
FACSIMILE NO: (08) 9353 2452

USER:

FACSIMILE NO: _____

9. EVIDENCE

The following documents are attached to and form part of this Order Form as evidence of the User's access to Gas supplies and deliveries, and the User's solvency and creditworthiness (as required by subclauses 6.1(b) and (c) of CMS' Access Arrangement).

10. FURTHER INVESTIGATION COSTS

Signify by ticking appropriate box below whether or not User is prepared, if required by CMS to pay the reasonable costs of Further Investigations referred to in subclauses 6.10(c)(iii) and 6.11 of CMS' Access Arrangement.

Yes No

11. ENHANCED FACILITIES COSTS

Signify by ticking appropriate box below whether or not User is prepared, if required by CMS to contribute reasonable costs referred to in subclauses 6.10(b) and 11.2 of CMS' Access Arrangement.

Yes No

12. WARRANTY

The User warrants that all information provided to CMS under CMS' Access Arrangement, for the purposes of an Access Request, or to satisfy any Conditions or under or for the purposes of a Service Agreement (including the information contained in any documents attached to and forming part of this Order Form) is true and accurate and is not misleading in any material way (whether by omission or otherwise).

This warranty is given at the time the information is provided to CMS, whether the information was provided before, with, or after this Order Form is lodged with CMS, and whether or not the Order Form is accepted by CMS.

13. ACCESS ARRANGEMENT BUILDING

By signing and lodging this Order Form the User acknowledges and agrees that it has read and is bound by the terms and conditions of the Access Arrangement.

14. SERVICE AGREEMENT

If this Order Form is accepted by CMS and the User agrees or is deemed to have agreed to be bound by any Conditions in terms of clause 7.3 of CMS' Access Arrangement, the User agrees that it is bound by the terms of the Service Agreement as constituted by the following documents:

- (a) this Order Form and all attachments to it;
- (b) notification of any Conditions by CMS (whether on this Order Form or otherwise); and
- (c) the General Terms and Conditions.

DATED the _____ day of _____ AD[]

THE COMMON SEAL of

_____ was affixed in accordance with its articles of association in the presence of:

..... Signature of authorised person Signature of authorised person
..... Office held Office held
..... Name of authorised person (block letters) Name of authorised person (block letters)

15. CONDITIONS [To be completed by CMS]

The following Conditions (which are to be satisfied by the User, at its own cost, unless expressly stated otherwise) apply to this Service Agreement:

This Service Agreement is a REFERENCE SERVICE AGREEMENT/NON-REFERENCE SERVICE AGREEMENT*
(*Delete whichever is inapplicable).

Authorised Signatory of CMS

Position Held

Date

NOTE: This Order Form forms part of an Access Request under CMS' Access Arrangement for the Parmelia Pipeline.

TO: CMS GAS TRANSMISSION OF AUSTRALIA
 ARBN 078 902 397
 8 MARCHESI STREET
 KEWDALE WA 6105

**ORDER FORM
 NON-REFERENCE SERVICE
 CMS' ACCESS ARRANGEMENT - PARMELIA PIPELINE**

1. USER
 Name _____
 ACN/ARBN _____
 Address _____

2. COMMENCEMENT DATE _____

3. TERMINATION DATE _____

4. NATURE OF SERVICE REQUESTED

(Provide details of type of service requested including quantities (TJ/Day) to be transported).

5. RECEIPT POINT _____

6. DELIVERY POINT _____

7. PRESSURE AT RECEIPT POINT _____ kPa (gauge)

8. PRESSURE AT DELIVERY POINT _____ kPa (gauge)

9. TARIFF

Reservation Charge \$_____/GJ
 Commodity Charge \$_____/GJ
 Other Charges _____

10. TERMS AND CONDITIONS

(Specify terms and conditions on which Service is sought including, if applicable, any of the General Terms and Conditions)

11. ADDRESS FOR SERVICE OF NOTICES

CMS:

MANAGER OF OPERATIONS
CMS GAS TRANSMISSION OF AUSTRALIA
8 MARCHESI STREET
KEWDALE WA 6105
FACSIMILE NO: (08) 9353 2452

USER:

FACSIMILE NO: _____

12. EVIDENCE

The following documents are attached to and form part of this Order Form as evidence of the User's access to Gas supplies and deliveries, and the User's solvency and creditworthiness (as required by subclause 6.2(b) of CMS' Access Arrangement).

13. WARRANTY

The User warrants that all information provided to CMS under CMS' Access Arrangement, for the purposes of an Access Request, to satisfy any Conditions or under or for the purposes of a Service Agreement (including the information contained in any documents attached to and forming part of this Order Form) is true and accurate and is not misleading in any material way (whether by omission or otherwise).

This warranty is given at the time the information is provided to CMS, whether the information was provided before, with, or after this Order Form is lodged with CMS, and whether or not the Order Form is accepted by CMS.

14. ACCESS ARRANGEMENT BUILDING

By signing and lodging this Order Form the User acknowledges and agrees that it has read and is bound by the terms and conditions of the Access Arrangement

15. SERVICE AGREEMENT

If this Order Form is accepted by CMS and the User agrees or is deemed to have agreed to be bound by any Conditions in terms of clause 7.3 of CMS' Access Arrangement, the User agrees that it will enter into a Service Agreement comprising:

- (a) the matters contained in this Order Form and all attachments to it;
- (b) the notification of any Conditions by CMS (whether on this Order Form or otherwise); and
- (c) such of the General Terms and Conditions or other terms and conditions as may be agreed between CMS and the User.

DATED the _____ day of _____ AD[]

THE COMMON SEAL of

_____ was affixed in accordance with its articles of association in the presence of:

.....
Signature of authorised person

.....
Signature of authorised person

.....
Office held

.....
Office held

.....
Name of authorised person
(block letters)

.....
Name of authorised person
(block letters)

16. ACCEPTANCE

CMS GAS TRANSMISSION OF AUSTRALIA accepts the offer made in this Order Form and agrees to enter into a Service Agreement comprising the matters mentioned in item 15 above, subject to the following Conditions (which are to be satisfied by the User, at its own cost, unless expressly stated otherwise):

This Service Agreement is a NON-REFERENCE SERVICE AGREEMENT.

Authorised Signatory of CMS

Position Held

Date

NOTE: This Order Form forms part of an Access Request under CMS' Access Arrangement for the Parmelia Pipeline.