



North Queensland
Gas Pipeline

Part 23 User Access Guide

North Queensland Gas Pipeline

www.northqueenslandgaspipeline.com.au

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PART A – BACKGROUND INFORMATION

1 Background

1.1 Introduction

This Guide is the user access guide required under Part 23 NGR for the North Queensland Gas Pipeline (the **Pipeline**), a non-scheme pipeline.

The purpose of this Guide is to assist prospective users to obtain services on the Pipeline.

This Guide is organised follows:

Part A	Background information on the application of this Guide and Part 23 NGR
Part B	Process for obtaining pipeline services on the Pipeline
Annexure A	Overview of the Pipeline
Annexure B	Access Information. On the 29 October 2018, the Australian Energy Regulator granted NQGP a Category 2 and Category 3 exemption under Part 23 of the National Gas Rules (NGR), which exempts the NQGP from the information disclosure provisions under Division 2 of Part 23 of the NGR
Annexure C	Glossary

1.2 Application of this Guide

Division 3, Part 23 of the NGR sets out a process and timeline for access negotiations to services on non-scheme pipelines. This Guide reflects and supplements those requirements. It does not override our obligations under Part 23 and to the extent of any inconsistency, Part 23 will prevail.

This Guide applies in relation to requests for access to pipeline services on the Pipeline. The services available on the Pipeline are set out in the Pipeline and pipeline service information in Annexure B.

This Guide and Division 3 does not apply in the following circumstances:

- This Guide does not apply to requests for variations to an existing contracted service for any part of the current service term. We will negotiate such variations in accordance with the terms of the relevant contract.

However, requests to extend the term of an existing contract or to add a new service to an existing contract are covered by Division 3 and this Guide.
- This Guide does not apply to disputes about a pipeline service provided under an existing contract. Such disputes are governed by the terms of that contract.

1.3 Background on Part 23 NGR

1.3.1 Objective

Part 23 NGR aims at facilitating commercial negotiations between providers of pipeline services and prospective users. To this end, Part 23 imposes information provision obligations upon service providers, and provides a commercially-oriented arbitration process to resolve access disputes.

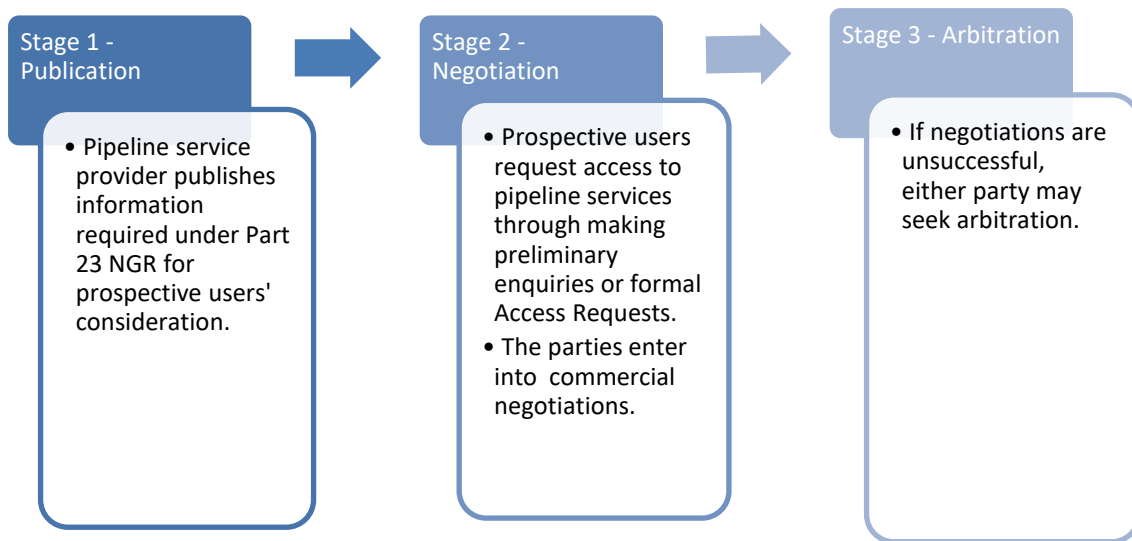
1.3.2 Obligation to publish

A service provider for a non-scheme pipeline is obliged to publish certain information and documents about that pipeline under Part 23, including a user access guide, service and access information, standing terms, financial information and weighted average price information. The information listed here can be found at Annexure B (Access Information) of this Guide.

1.3.3 Further information

Please also refer to the AER's Non-Scheme Pipeline Arbitration Guide and Framework flow chart at <https://www.aer.gov.au/networks-pipelines/non-scheme-pipelines/arbitration-of-access-disputes>.

1.4 Part 23 NGR Process at a glance



PART B – REQUESTING SERVICES ON THE NQGP

2 Service provider

2.1.1 Pipeline service provider

The service provider is NQGP Pty Limited.

2.1.2 Contact details

Please send all enquiries relating to this Guide or access to the Pipeline to:

Name	Darren Giri
Position	General Manager - Commercial
Address	Level 27, 140 William Street, Melbourne VIC 3000
Telephone	0432 020 632
Email	Darren.Giri@palisadeims.com.au
Attention	NQGP Enquiry
Website	www.northqueenslandgaspipeline.com.au
Fax Number	03 9044 1130 or 61390441130@efaxsend.com

3 Preliminary enquiries

3.1.1 Preliminary enquiries

A prospective user may make a preliminary enquiry for access to pipeline services at any time by contacting the person listed in section 2.1.2.

We welcome preliminary enquiries. Preliminary enquiries and discussions offer a flexible process for additional information exchange and will assist prospective users in understanding the services available and the framing of an access request.

3.1.2 Further investigations during preliminary enquiries

Upon your request, we must conduct further investigations during preliminary enquiries. Depending on the nature of your enquiry, we may also recommend further investigations be undertaken. Generally, the purpose of such investigations will be to determine whether your requirements can be met and thus assist in making a formal Access Request.

If further investigations are necessary, we will provide and seek to agree with you:

- the scope of the further investigations,
- the timelines for conducting the further investigations, and
- the costs for conducting such further investigations (if appropriate). For example, if engineering or technical studies are required, we may require you to pay the costs of such work.

4 Access Request

4.1.1 Making an Access Request

You may request us to provide access to pipeline service by making a formal Access Request under rule 559 at any time.

A formal Access Request must:

- (a) be in writing;
- (b) be addressed to the person in section 2.1.2;
- (c) specify that it is a formal Access Request under rule 559; and
- (d) include information reasonably required for us to prepare an Access Offer, or to determine whether we need to undertake further investigations in relation to the Access Request, including the information specified below.

We encourage you to make it clear to us whether you are making a preliminary enquiry or a formal Access Request. If a request does not specify that it is a formal Access Request under rule 559, we may treat the request as a preliminary enquiry.

You should provide the following information when making a formal Access Request (as applicable):

Entity Details

- ACN and other incorporation details of the entity seeking the pipeline services and who will be the contracting entity
- if the entity is a special purpose vehicle or a new entity, details of the parent group and description of its business
- information relating to contracting entity's credit worthiness
- prospective user primary contact detail

Service Requested

- each of the pipeline services required
- quantities of each pipeline service required
- receipt and delivery points and quantities required at those points
- start date and end date for each service
- technical details / other information relating to a new interconnection to the pipeline, including:
 - delivery pressure; and
 - operational usage profile

Other Information

- reason for the pricing request
- downstream gas usage
- specific requests for NQGP consideration

You are encouraged to make a formal Access Request by completing this form: [NQGP Pricing Request Form](#)

4.1.2 Incomplete Access Requests

Receiving an Access Request

5 BD

Inform that the Access Request is incomplete

If we require further information because an Access Request is incomplete, we will inform you of this and the information required within 5 Business Days after receiving the Access Request.

You are not required to provide the requested information within a set timeframe, however please keep in mind that the time taken may impact on the provision of our Access Offer.

4.1.3 Conducting further investigations



It may be the case that we need to conduct further investigations before making an Access Offer. If this is the case, we will inform you of this within 10 Business Days after receiving the Access Request or, in the case of an incomplete request, the provision of further information.

We will negotiate with you in good faith about the terms and conditions on which further investigations will be carried out, including the following matters:

- if required, any reasonable extension to the 60 Business Day time period allowed under the Rules for the Access Offer to be made; and
- if required, the basis for determining reasonable costs of the further investigations to be paid by you.

We will only undertake further investigations in relation to an Access Request if it is reasonably necessary. Any further investigations will be carried out expeditiously.

4.1.4 Amending an Access Request

You may amend the details of your Access Request with our consent. We will not unreasonably withhold consent, but may give consent to your request for amendment subject to reaching an agreement on a reasonable extension to the period for making an Access Offer in response to the amended Access Request.

5 Access Offers

5.1.1 When we will make an Access Offer



Unless one of the following circumstances apply, we will make an Access Offer within 20 Business Days after receiving the Access Request.

If the Access Request is incomplete, we will make an Access Offer within 20 Business Days of the provision of the further information requested of you.

If we need to undertake further investigations, we will make an Access Offer within 60 Business Days after receiving the Access Request (or in the case of an incomplete request, after receiving the further information requested), unless we have agreed a different timeframe with you.

5.1.2 Content of an Access Offer

An Access Offer will:	set out the price and other terms and conditions on which we offer to make the requested pipeline services available to you;
	include detail of any works to be undertaken by you and us, and any applicable technical and performance specifications; and
	be in a form capable of acceptance by you so as to constitute a new access contract or form part of an existing access contract.

We may include appropriate conditions precedent in our Access Offer and a reasonable timeframe for acceptance.

5.1.3 When we are not required to make an Access Offer

We are not required to make an Access Offer under the following circumstances:

- if the Access Request has been withdrawn;
- if we have concluded, after having used all reasonable efforts to accommodate your reasonable requirements, that it is not technically feasible or consistent with the safe and reliable operation of the pipeline to provide the requested pipeline service.
- if the provision of the pipeline service requested would require the extension of the pipeline.

If we are unable to make an Access Offer due to technical infeasibility, we will give you:

- written reasons explaining why the requested service cannot be provided; and
- if there is some prospect that the requested service will become possible to provide at some time in the future, details of when the service would likely become available.

6 Negotiations

6.1.1 Parties to negotiate in good faith

Pursuant to s 216G of NGL, service providers and prospective users are obliged to negotiate in good faith.

If a prospective user is not negotiating in good faith, we reserve the right to terminate negotiations.

6.1.2 Requesting negotiations

If you have made a valid Access Request for a pipeline service, you may (by notice to the person identified in section 2.1.2) request negotiation under Part 23 of NGR in relation to any aspect of access to a pipeline service, including:

- whether access can be granted; and
- the price and other terms and conditions of an Access Offer.

You may seek clarity in relation to the Access Offer without commencing the formal negotiation process but you are encouraged to be clear if that is your intention.

6.1.3 Other parties relevant to the negotiations

If you give notice requesting negotiations, both parties (i.e. you and we) must use reasonable endeavours to identify other persons who may become a party to an access dispute relating to the pipeline service the subject of the negotiations. Either party may agree to include such other parties to the negotiations.

7 Exchange of information during negotiations

7.1.1 Overview

Should an access dispute arise, rule 562 provides a process by which the information exchanged by the parties during negotiations will form the basis of an arbitration “on the papers”. There are two types of information contemplated by rule 562:

Access Offer Information	Access Offer Information includes: <ul style="list-style-type: none">▪ information regarding the costs associated with the provision of the pipeline services sought;▪ information about the method used to determine the prices in the Access Offer, and▪ the inputs used in the calculation of prices.
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Access Negotiation Information	Access Negotiation Information is information that the other party may seek to rely on for the determination of an access dispute in relation to the subject matter of the negotiations, including expert and consultant reports, data sets, reports, and models. It includes Access Offer Information
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Each party to the negotiation must, in requesting or providing Access Negotiation Information, do so in a manner and at a time consistent with the duty to negotiate in good faith.

7.1.2 You may request Access Offer Information



If you are negotiating with us under Part 23 of NGR, you may from time to time request from us Access Offer Information in relation to any aspect of the matters being negotiated.

This is to be done by giving notice to the contact person identified in section 2.1.2.

We will comply with the request for Access Offer Information within 15 Business Days of the notice, or any longer period agreed with you.

The Access Offer Information we provide will be:

- relevant to the subject matter of the request;
- provided in a readily readable form (where requested, we will provide the Access Offer Information in electronic file format and attaching underlying data files and inputs); and
- compliant with Part 23 NGR access information standard.

7.1.3 Either party may request Access Negotiation Information



A party must comply with the request for Access Negotiation Information within 15 Business Days of the notice, or any longer period agreed with you.

A party may:

- from time to time (and by notice), request another party to the negotiation to provide Access Negotiation Information of the other party that the other party is seeking to rely on in relation to a specific matter arising in the negotiations;
- during the course of the negotiations (by notice), request the other party to the negotiations to provide all Access Negotiation Information of the other party.

7.1.4 Exceptions

A party is not required to provide information would be subject to legal professional privilege or would breach third party confidentiality.

8 Arbitration

8.1.1 Arbitration

Pursuant to s 216J of NGL, prospective users have the right to refer an access dispute to arbitration.

This Guide does not cover the arbitration process. Please refer to the AER's Non-Scheme Pipeline Arbitration Guide at <https://www.aer.gov.au/networks-pipelines/non-scheme-pipelines/arbitration-of-access-disputes>.

8.1.2 Before issuing an access dispute notice

A party must give notice requesting all Access Negotiation Information of the other party at least 15 Business Days prior to issuing an access dispute notice (which triggers arbitration).

9 Confidentiality

Service providers and prospective users must keep confidential any non-public information provided by one party to the other during negotiations (rule 561(8) and (9)).

There are certain limited exceptions where a party may disclose confidential information (see rule 561(8)):

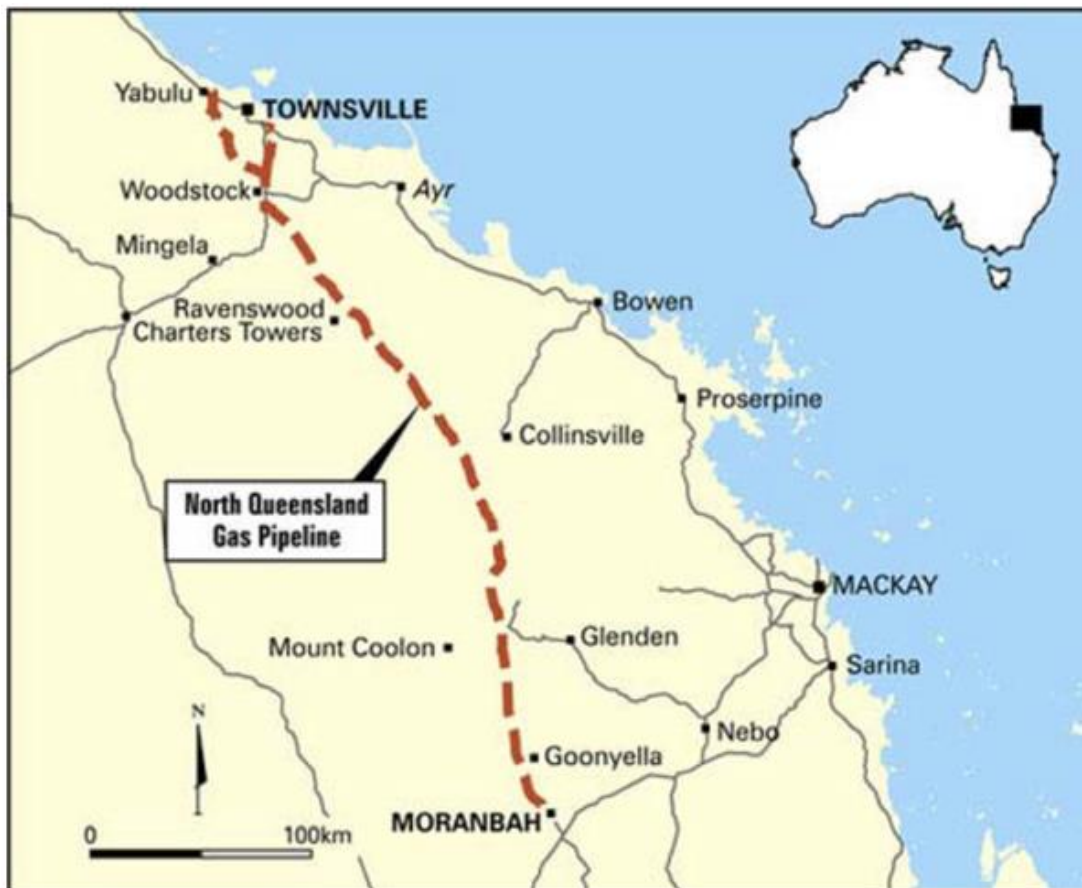
- to the scheme administrator in an access dispute notice
- to the arbitrator in the course of an arbitration
- with the consent of the other party
- to a professional or other adviser of the party who agrees with the party to maintain the confidentiality of the confidential information
- if it is required by, or necessary for the purposes of, these Rules or the NGL
- if the disclosure is in accordance with an order made or a subpoena issued by a court of competent jurisdiction; or
- if the disclosure is authorised or required by a law of a participating jurisdiction or required by a competent regulatory body, and the person making the disclosure gives written details of the disclosure (including an explanation of the reasons for the disclosure) to the other party

All information provided by us during negotiations should be treated as confidential, with the exception that the information is already in the public domain. We reserve the right to require confidentiality agreements be put in place.

Annexure A: Pipeline Overview

1 North Queensland Gas Pipeline

The Pipeline is a 392km onshore natural gas pipeline system constructed and commissioned by Enertrade in 2004. It comprises a 370 km high-pressure pipeline running from Moranbah to the TPS at Yabulu, near Townsville; a 22 km lateral pipeline connecting the mainline at Woodstock to the Stuart industrial precinct; the Moranbah inlet scraper station and gas receipt and pig launching facility at the inlet to the pipeline at Moranbah; Stuart and Yabulu metering stations; and Woodstock off-take station. The Pipeline provides a strategic link between the vast gas reserves of Queensland's northern Bowen Basin coalfields and Townsville. It is wholly owned by Palisade investors and managed by Palisade Integrated Management Services.



Annexure B: Access Information

On the 29 October 2018, the Australian Energy Regulator granted NQGP a Category 2 and Category 3 exemption under Part 23, Division 6, rule 585(4) of the National Gas Rules (NGR), which exempts the NQGP from the information disclosure provisions under Division 2, rule 552(1), (2) of Part 23 the NGR.

These items include:

- Pipeline information
- Pipeline service information
- Service usage information
- Service availability
- Standing terms
- Financial information
- Weighted average price information

Annexure C: Glossary

Unless otherwise indicated, the following terms in this Guide have the meanings set out below:

Term	Definition
Access Offer	offer in response to an Access Request under rule 559 NGR
Access Request	formal access request under rule 559 NGR
AER	Australian Energy Regulator
Business Day	a day that is not a Saturday, Sunday or public holiday in any participating jurisdiction of Part 23 of NGR
Guide	NQGP user access guide
NGL	National Gas Law
NGR	National Gas Rules
NQGP	North Queensland Gas Pipeline
Pipeline	North Queensland Gas Pipeline
Service Provider	NQGP Pty Limited