

EN301*

Gas Standards Act 1972

Gas Standards (Gas Supply and System Safety) Amendment Regulations 2007

Made by the Governor in Executive Council.

1. Citation

These regulations are the *Gas Standards (Gas Supply and System Safety) Amendment Regulations 2007*.

2. Commencement

These regulations come into operation as follows:

- (a) regulations 1 and 2 — on the day on which these regulations are published in the *Gazette*;
- (b) the rest of the regulations — on the day after that day.

3. The regulations amended

The amendments in these regulations are to the *Gas Standards (Gas Supply and System Safety) Regulations 2000*.

4. Part 3A inserted

After Part 3 the following Part is inserted —

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Part 3A — Entry and commingling of gas of different qualities

Division 1 — Preliminary

17A. Terms used in this Part

In this Part, unless the contrary intention appears —

“**approved plan**” means a management plan approved under regulation 17E and includes the plan as amended or replaced under regulation 17F or 17G;

“corporation” means —

- (a) a company within the meaning given in the *Corporations Act 2001* (Commonwealth) section 9; or
- (b) any other body corporate, or body corporate of a kind, prescribed by the regulations;

“determined heating value” means the heating value for a HHV zone determined under regulation 17J(2) or (3);

“emergency” means any event or circumstance arising in relation to a distribution system or sub-network or a pipeline from which gas is injected into a distribution system or sub-network that has a significant effect on the higher heating value of gas in a zone or zones;

“flow weighted average higher heating value” or **“FWAHHV”** means the flow weighted average higher heating value of gas in a HHV zone on a gas day, calculated in accordance with the approved plan relating to the distribution system that includes the HHV zone;

“gas day” means the 24 hour period beginning at 0800 hours on a day and ending at 0800 hours on the following day;

“HHV zone” means a HHV zone in a distribution system or sub-network established under regulation 17I(2), (3) or (5);

“implementation period” means —

- (a) in relation to an approved plan approved or taken to have been approved under regulation 17E, a period of 2 months, or any other period not exceeding 6 months specified in the plan for the purposes of this paragraph of this definition, beginning on the day on which the plan is approved or taken to have been approved; or
- (b) in relation to the replacement of an approved plan under regulation 17F, a period of one month, or any other period not exceeding 2 months specified in the replacement plan for the purposes of this paragraph of this definition, beginning on the day on which the replacement is approved or taken to have been approved;

“leanest supplied higher heating value” or **“LSHHV”** means the higher heating value of gas supplied to a consumer from a HHV zone on a gas day with the lowest flow weighted higher heating value, calculated in accordance with the approved

plan relating to the distribution system that includes the HHV zone;

“management plan” means a plan that meets the requirements of regulation 17C(1) or (2);

“officer”, in relation to a body corporate, has the meaning given to “officer” of a corporation in the *Corporations Act 2001* (Commonwealth) section 9 but does not include an employee of the body corporate unless the employee is concerned in the management of the body corporate;

“permitted range” means the range determined under regulation 17I(3)(b);

“retail market scheme” means a retail market scheme approved under the *Energy Coordination Act 1994* Part 2B Division 3;

“sub-network” means each part of a distribution system listed in Schedule 4.

Division 2 — Approved plan

17B. Requirement for an approved plan

- (1) A network operator must not operate a distribution system in which gas of different qualities from 2 or more pipelines is commingled without an approved plan relating to the operation of the system.
- (2) If a network operator is a corporation, an officer of the network operator must ensure that gas of different qualities from 2 or more pipelines is not commingled in a distribution system of the network operator unless there is an approved plan relating to the operation of the system.
- (3) A pipeline operator must not inject gas into a distribution system in which gas of different qualities from 2 or more pipelines is commingled without an approved plan relating to the injection of gas into that system.
- (4) If a pipeline operator is a corporation, an officer of the pipeline operator must ensure that gas is not injected from a pipeline of the pipeline operator into a distribution system in which gas of different qualities from 2 or more pipelines is commingled unless there is an approved plan relating to the injection of gas into that system from the pipeline.
- (5) This regulation does not apply to —
 - (a) a network operator or an officer of a network operator during the implementation period for an approved plan, or the replacement for an

approved plan, relating to the operation of the network operator's distribution system; or

- (b) a pipeline operator or an officer of a pipeline operator during the implementation period for an approved plan, or the replacement for an approved plan, relating to the injection of gas into a distribution system from a pipeline of the pipeline operator.

17C. Content of management plan

- (1) A management plan submitted by a network operator in relation to the operation of its distribution system is to —
 - (a) set out details of the distribution system, including in particular any sub-network of the system, to which it applies; and
 - (b) set out the configuration and operational characteristics of the distribution system; and
 - (c) work together with the management plan of a pipeline operator that injects gas into the system; and
 - (d) set out the methods or processes to be followed by the network operator in calculating the flow weighted average higher heating value of the gas transported through the distribution system or a sub-network of it and establishing a HHV zone or HHV zones in the distribution system or a sub-network of the system; and
 - (e) specify how the network operator is to publish or give interested persons details of the establishment of a HHV zone or HHV zones in a distribution system or a sub-network of the system; and
 - (f) set out the means for calculating and validating the flow weighted average higher heating value of gas in a HHV zone on a gas day; and
 - (g) set out the means for calculating the higher heating value of gas with the lowest flow weighted higher heating value supplied to a consumer from a HHV zone on a gas day; and
 - (h) set out principles, methods and processes to be applied by the network operator in the operation of a distribution system to ensure that the FWAHHV for a HHV zone on a gas day less the LSHHV for the HHV zone on that day is not more than 1 MJ/m³; and
 - (i) set out measures to be taken by the network operator if the higher heating value of gas supplied through a HHV zone to a consumer is

- persistently less than the permitted range for the HHV zone; and
- (j) set out the number of days in any period of 100 days on which the FWAHHV for a HHV zone less the LSHHV for the HHV zone must not be more than 1 MJ/m^3 and specify what action will be taken by the network operator if that number is exceeded; and
 - (k) provide that the network operator is to give to the Director at quarterly intervals (or such other intervals specified by the Director from time to time after consulting the network operator) a report on monitoring activity undertaken by the network operator in respect of gas entering the distribution system; and
 - (l) set out audit requirements in relation to the determination by the network operator of the heating value of gas under regulation 17J(1); and
 - (m) provide for an annual audit to be carried out on the operation of the management plan and for a report on the audit to be given to the Director.
- (2) A management plan submitted by a pipeline operator in relation to the injection of gas into a distribution system from a pipeline of the operator is to —
- (a) identify the distribution system and any sub-network of the system into which gas is injected; and
 - (b) work together with the management plan of the network operator of the distribution system; and
 - (c) set out details of the gas injected into the system by the pipeline operator including —
 - (i) the higher heating value of the injected gas; and
 - (ii) the volume of gas injected on a gas day; and
 - (iii) the rate at which it is injected; and
 - (iv) if gas of different qualities is injected, the mixing ratios in respect of that gas; and
 - (d) specify how and when the pipeline operator will advise the network operator of the distribution system about any change in the specifications referred to in paragraph (c); and

- (e) set out which, and how, facilities will be used by the pipeline operator to —
 - (i) inject gas into the distribution system; and
 - (ii) control and monitor that injection; and
- (f) provide for the implementation of systems to —
 - (i) ensure, as far as is reasonably practicable, that commingling occurs at a controlled or determined rate; and
 - (ii) minimise, as far as is reasonably practicable, variations in the higher heating value of gas injected by the pipeline operator into a distribution system on any gas day; and
- (g) set out how the pipeline operator will, and which facilities will be used by the pipeline operator to, calculate the higher heating value of gas injected into the distribution system on each gas day including —
 - (i) the location of sample points; and
 - (ii) the method of calculation; and
 - (iii) the frequency of sampling and analysis; and
 - (iv) the details of the provision of backup measurement facilities or the processes the operator will use if facilities fail to operate or are unavailable; and
- (h) provide for the recording of data in respect of the higher heating value and flow of gas injected into the distribution system on each gas day; and
- (i) provide for the data referred to in paragraph (h) —
 - (i) if a retail market scheme applies to the distribution system or sub-network and that scheme provides for the pipeline operator to give the network operator data the same as that referred to in paragraph (h), to be given to the network operator in the form and at the intervals specified in the scheme; or
 - (ii) if subparagraph (i) does not apply, to be given to the network operator in the form and at the intervals determined by

the Director after consultation with the pipeline operator;

and

- (j) set out measures to be taken by the pipeline operator if a facility referred to in paragraph (e) malfunctions; and
- (k) provide for an annual audit to be carried out on the operation of the management plan and for a report on the audit to be given to the Director.

17D. Submission of management plan for approval

- (1) In this regulation —

“existing operator”, in relation to a distribution system, means a person who already carries out gas operations on the relevant day;

“gas operations” means —

- (a) the operation of a distribution system; or
- (b) the injection of gas into a distribution system;

“new operator”, in relation to a distribution system, means a person who is to commence gas operations after the relevant day;

“relevant day” means the day on which the *Gas Standards (Gas Supply and System Safety) Amendment Regulations 2007* come into operation.

- (2) Each existing operator, and each new operator, must submit a management plan relating to the operation of or the injection of gas into the system, as the case may be, to the Director for approval.
- (3) An existing operator must comply with subregulation (2) within 3 months after the relevant day.
- (4) A new operator must comply with subregulation (2) not less than one month before the day on which the operator is to commence gas operations.

17E. Approval of management plan

- (1) Subject to subregulation (5), the Director may in writing —
 - (a) approve a management plan submitted under regulation 17D; or
 - (b) request that it be amended.
- (2) If the Director requests a network operator or pipeline operator to amend a management plan, the request must be accompanied by written reasons of the Director for requesting the amendment.

- (3) The network operator or pipeline operator must comply with a request under subregulation (1)(b) within one month of the day on which the Director made the request by submitting a management plan amended in accordance with the Director's request.
- (4) Subject to subregulation (5), the Director must approve a management plan amended as requested under subregulation (1)(b).
- (5) The Director is not to approve a management plan if the Director considers that it —
 - (a) will not meet the requirements of regulation 17C in respect of such plans; or
 - (b) will be inconsistent with the Act or any other written law.
- (6) If the Director has not given an approval or made a request under subregulation (1)(b) within one month of the submission of a management plan, the Director is to be taken to have approved the plan on the last day of that period of one month.

17F. Amendment or replacement of an approved plan

- (1) With the approval of the Director, a network operator or pipeline operator may amend or replace an approved plan.
- (2) A network operator or pipeline operator must submit any proposed amendment or replacement to the Director for approval.
- (3) If an amendment or replacement is submitted, the Director may in writing —
 - (a) subject to subregulation (7), approve it; or
 - (b) request that it be amended; or
 - (c) refuse to approve it.
- (4) If the Director requests that an amendment or replacement be amended, the request must be accompanied by written reasons of the Director for requesting the amendment.
- (5) A network operator or pipeline operator must comply with a request under subregulation (3)(b) within one month of the day on which the Director made the request by submitting an amendment or replacement amended in accordance with the Director's request.
- (6) Subject to subregulation (7), the Director must approve an amendment or replacement amended as requested under subregulation (3)(b).

- (7) The Director is not to approve an amendment or replacement of an approved plan if the Director considers that it —
 - (a) will not meet the requirements of regulation 17C in respect of management plans; or
 - (b) will be inconsistent with the Act or any other written law.
- (8) If the Director has not given an approval, made a request or refused to approve an amendment or replacement under subregulation (3) within one month of the submission of the proposed amendment or replacement, the Director is to be taken to have approved the proposed amendment or replacement on the last day of that period of one month.

17G. Director may require amendment

- (1) This regulation applies if, in the opinion of the Director, an approved plan —
 - (a) does not meet the requirements of regulation 17C in respect of management plans; or
 - (b) is no longer consistent with the Act or any other written law.
- (2) The Director may direct a network operator or pipeline operator to amend an approved plan, within a specified period, in a manner specified by the Director in writing.
- (3) The network operator or pipeline operator must comply with a direction under subregulation (2).
- (4) If a network operator or pipeline operator does not comply with a direction under subregulation (2) to amend an approved plan within the period specified by the Director, the approved plan ceases to have effect at the end of that period.

17H. Compliance with an approved plan

- (1) A network operator must ensure that an approved plan relating to the operation of its distribution system is implemented and that any requirements set out in it are complied with.
- (2) A pipeline operator must ensure that an approved plan relating to the injection of gas into a distribution system from a pipeline of the operator is implemented and that any requirements set out in it are complied with.

- (3) Subregulations (1) and (2) do not apply during an emergency.

Division 3 — Determination of heating value of gas

17I. Establishing a HHV zone or HHV zones

- (1) This regulation applies if —
- (a) gas of different qualities from 2 or more pipelines is injected into a network operator's distribution system or sub-network; and
 - (b) that gas is commingled in the system or sub-network.
- (2) If the FWAHHV (calculated in accordance with the relevant approved plan) of the gas transported through a distribution system or sub-network throughout the system or sub-network does not vary by more than 1 MJ/m^3 , the network operator of the distribution system or sub-network must from time to time, in accordance with the relevant approved plan, establish one HHV zone for that system or sub-network.
- (3) If the FWAHHV (calculated in accordance with the relevant approved plan) of the gas transported through a distribution system or sub-network varies by more than 1 MJ/m^3 in parts of the system or sub-network, the network operator of the distribution system or sub-network must from time to time, in accordance with the relevant approved plan —
- (a) establish HHV zones in that system or sub-network for each of those parts where those heating values exist so that the FWAHHV of the gas in a zone does not vary by more than 1 MJ/m^3 ; and
 - (b) determine the range of the FWAHHV, not more than 1 MJ/m^3 , for gas in the zones.
- (4) A network operator must review a HHV zone or HHV zones in the following circumstances —
- (a) at intervals of not more than 13 months commencing on the day on which the HHV zone or HHV zones are first established;
 - (b) if there is a material and sustained change in the quantity or the higher heating value of the gas injected into the network or sub-network by a pipeline operator.
- (5) After reviewing the HHV zone or HHV zones, the network operator must cancel the HHV zone or HHV zones and establish a new HHV zone or new HHV zones if that is necessary in order to comply with subregulation (2) or (3).

- (6) On each occasion that a network operator establishes a HHV zone or HHV zones in a distribution system or sub-network, the network operator must give the Director a plan of the system or sub-network showing —
 - (a) the zone or zones; and
 - (b) the permitted range for the zone or zones.
- (7) The plan referred to in subregulation (6) must be given to the Director not later than 5 days after the zone or zones are established.

17J. Network operator to determine heating value of gas

- (1) As soon as practicable after the end of each gas day, the network operator must determine the heating value of the gas transported through —
 - (a) if the distribution system or a sub-network of the system has only one HHV zone, that HHV zone; or
 - (b) if the distribution system or a sub-network of the system has more than one HHV zone, each of those HHV zones,in accordance with subregulation (2) or (3).
- (2) If the FWAHHV for a HHV zone less the LSHHV for the HHV zone is less than or equal to 1 MJ/m^3 , the determined heating value for the HHV zone is the FWAHHV.
- (3) If the FWAHHV for a HHV zone less the LSHHV for the HHV zone is more than 1 MJ/m^3 , the determined heating value for the HHV zone is the LSHHV plus 1 MJ/m^3 .
- (4) For each gas day, a network operator must cause the determined heating value of gas transported through the HHV zone or HHV zones of the network operator's distribution system or sub-network to be published by the specified time —
 - (a) on a website maintained by the network operator and to which the Director and retail gas operators, within the meaning given in the *Energy Coordination Act 1994* section 11ZOC(1)(b), have access; or
 - (b) by such other means as the Director approves in writing on the written application of a network operator.

- (5) For the purpose of subregulation (4), the specified time is —
- (a) if a retail market scheme applies to the distribution system or sub-network and that scheme requires the network operator to publish information the same as the determined heating value by a specified time, that time; or
 - (b) if paragraph (a) does not apply, 1200 hours on the day following the end of the gas day or the time specified in the relevant approved plan for the purposes of this paragraph, whichever is the later.
- (6) If the determined heating value is determined under subregulation (3), the network operator must, as soon as reasonably practicable and in accordance with the approved plan, give the Director a written notice specifying —
- (a) the gas day for which the determination was made; and
 - (b) the determined heating value for that day.

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5. Regulation 66 amended

Regulation 66 is amended as follows:

- (a) after paragraph (a) the following paragraphs are inserted —
- “
- (aa) to request that a management plan be amended under regulation 17E(1); or
 - (ab) to refuse to approve a management plan under regulation 17E(5); or
 - (ac) to request that an amendment or replacement be amended under regulation 17F(3); or
 - (ad) to refuse to approve an amendment or replacement under regulation 17F(3); or
 - (ae) to refuse to approve an amendment or replacement under regulation 17F(7); or
 - (af) to direct a network operator or pipeline operator to amend an approved plan under regulation 17G(2); or
- ”;
- (b) after each of paragraphs (a), (b), (c), (d), (e), (f), (g) and (h) by inserting —
- “ or ”.

6. Schedule 4 inserted

After Schedule 3 the following Schedule is inserted —

“

Schedule 4 — Sub-networks

[r. 17A]

Each of the following parts of the distribution system the subject of distribution licence GDL 8 under the *Energy Coordination Act 1994* is a sub-network —

- (a) Geraldton (Nangetty Road);
- (b) Eneabba;
- (c) Muchea;
- (d) Ellenbrook;
- (e) Metro North;
- (f) Metro South;
- (g) Barter Road, Naval Base;
- (h) Rockingham;
- (i) Pinjarra;
- (j) Oakley Road (Pinjarra);
- (k) Harvey;
- (l) Kemerton;
- (m) Clifton Road, Bunbury.

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By Command of the Governor,

M. C. WAUCHOPE, Clerk of the Executive Council.