



WESTERN  
AUSTRALIAN  
GOVERNMENT

**Gazette**

7321



**PERTH, TUESDAY, 31 DECEMBER 1996 No. 209 SPECIAL**

PUBLISHED BY AUTHORITY JOHN A. STRIJK, ACTING GOVERNMENT PRINTER AT 4.30 PM

**GAS CORPORATION ACT 1994**

---

**GAS REFEREE AMENDMENT  
REGULATIONS 1996**

---

**GAS TRANSMISSION  
(DISTRIBUTION INTEGRATION)  
AMENDMENT REGULATIONS  
1996**



GAS CORPORATION ACT 1994  
**GAS REFEREE AMENDMENT REGULATIONS 1996**

Made by His Excellency the Governor in Executive Council.

**Citation**

1. These regulations may be cited as the *Gas Referee Amendment Regulations 1996*.

**Commencement**

2. These regulations come into operation on the day on which the *Gas Distribution Regulations 1996* come into operation.

**Principal regulations**

3. In these regulations the *Gas Referee Regulations 1995\** are referred to as the principal regulations.

[\* *Published in Gazette 30 May 1995, pp. 2155-72.*]

**Regulation 3 amended**

4. (1) Regulation 3 of the principal regulations is amended by inserting after the definition of “exclusive jurisdiction” the following definition —

“  
    **“grant of access”** means a grant of access under the *Gas Distribution Regulations 1996*;  
”.

(2) Regulation 3 of the principal regulations is amended by deleting the definition of “Gas Transmission Regulations”.

(3) Regulation 3 of the principal regulations is amended by inserting after “**prescribed**” in the defined term “**prescribed dispute**” the following —

“ **transmission** ”.

(4) Regulation 3 of the principal regulations is amended by inserting after “*Gas Transmission Regulations*” wherever it occurs in the definition of “prescribed dispute” the following —

“ 1994 ”.

(5) Regulation 3 of the principal regulations is amended by inserting after “*Gas Transmission Regulations*” in the definition of “prospective shipper” the following —

“ 1994 ”.

(6) Regulation 3 of the principal regulations is amended by inserting after the definition of “party” the following definitions —

“

“**prescribed dispute**” means a prescribed transmission dispute or a prescribed distribution dispute;

“**prescribed distribution dispute**” means any dispute between the corporation and any user or prospective user dealing with —

(a) whether or not the corporation —

(i) has complied with the obligations imposed on it; and

(ii) has properly exercised any power granted to it,

by Schedule 6 of the Act, the *Gas Distribution Regulations 1996* (but not any clause of Schedule 1 to the *Gas Distribution Regulations 1996* or any other term of a grant of access) or any other written law which relates to access to, or the granting of access to, capacity in the gas distribution system or the prices payable for such access or grant; or

(b) subject to regulation 16 (2), whether the price to be paid by any user or prospective user has been determined or redetermined in accordance with the provisions of Part 5 of the *Gas Distribution Regulations 1996* and in accordance with any pricing methods adopted by the corporation;

”.

(7) Regulation 3 of the principal regulations is amended in the definition of “reasonable and prudent person” —

(a) by deleting “and” after “*Gas Transmission Regulations*” and substituting the following —

“ 1994, the *Gas Distribution Regulations 1996*, ”; and

(b) by inserting after “transmission contract” the following —

“ or any grant of access, ”.

(8) Regulation 3 of the principal regulations is amended by inserting after “*Gas Transmission Regulations*” in the definition of “transmission contract” the following —

“ 1994 ”.

**Regulation 13 amended****5.** Regulation 13 of the principal regulations is amended —

- (a) by deleting “or” after “these regulations” and substituting a comma; and
- (b) by inserting before the full stop at the end of the regulation the following —  
“ 1994, or the *Gas Distribution Regulations 1996* ”.

**Regulation 15 amended****6.** Regulation 15 of the principal regulations is amended —

- (a) by inserting after “prospective shipper” the following —  
“ or user or prospective user; ”;
- (b) by deleting “or” after “*Gas Transmission Regulations*” and substituting the following —  
“ 1994, the *Gas Distribution Regulations 1996*, ”; and
- (c) by inserting after “transmission contracts” the following —  
“ or one or more grants of access ”.

**Regulation 16 amended****7.** Regulation 16 of the principal regulations is amended —

- (a) by inserting after the regulation designation “**16.**” the subregulation designation “(1)”; and
- (b) by inserting at the end of the regulation the following subregulation —  
“  
(2) The referee does not have exclusive jurisdiction in respect of any dispute between the corporation and a user concerning the charging of, or the amount of, an opportunity cost price under regulation 73 of the *Gas Distribution Regulations 1996*.  
”.

**Regulation 27 amended****8.** Regulation 27 of the principal regulations is amended —

- (a) by inserting after “that dismissal is” the following —  
“ a determination ”;

- (b) by deleting “and” after “*Gas Transmission Regulations*” and substituting the following —  
     “ 1994, the *Gas Distribution Regulations 1996*, ”; and
- (c) by deleting “a determination” after “transmission contract” and substituting the following —  
     “ or a grant of access ”.

### **Regulation 33 amended**

**9.** Regulation 33 (3) of the principal regulations is amended by inserting after “*Gas Transmission Regulations*” the following —

“ 1994, the *Gas Distribution Regulations 1996* ”.

### **Regulation 37 amended**

**10.** Regulation 37 (3) of the principal regulations is amended by inserting after “transmission contract” the following —

“ , grant of access ”.

### **Regulation 39 amended**

**11.** Regulation 39 (2) of the principal regulations is amended —

- (a) by deleting “or” after “these regulations” and substituting a comma;  
and
- (b) by inserting after “*Gas Transmission Regulations*” the following —  
     “ 1994 or the *Gas Distribution Regulations 1996* ”.

### **Regulation 43 amended**

**12.** Regulation 43 (2) of the principal regulations is amended —

- (a) in paragraph (e) by inserting after “transmission contract” the following —  
     “ , grant of access ”; and
- (b) in paragraph (f) by deleting “or” and substituting the following —  
     “ , a grant of access or ”.

**Regulation 45 amended**

13. Regulation 45 of the principal regulations is amended —

(a) in subregulation (3) —

(i) by inserting after “dispute” the following —

“  
that in any way relates to the gas transmission system ”;

and

(ii) by inserting after “*Gas Transmission Regulations*” the following —

“ 1994 ”;

and

(b) by inserting after subregulation (3) the following subregulation —

“  
(4) The referee must, within a reasonable time after making a final determination in respect of a prescribed dispute that in any way relates to the gas distribution system, cause the statement of reasons for the determination to be given to the Coordinator, and the statement of reasons may be made public.  
”.

**Regulation 48 amended**

14. Regulation 48 of the principal regulations is amended by repealing subregulation (7) and substituting the following subregulation —

“

(7) If the consent determination is in respect of a prescribed dispute, the referee must cause the terms of the consent determination to be given —

(a) if the prescribed dispute relates in any way to the gas transmission system, to each member of the Gas Transmission Consultation Committee established under the *Gas Transmission Regulations 1994*; and

(b) if the prescribed dispute relates in any way to the gas distribution system, to the Coordinator,

and the terms of the consent determination may be made public.

”.

**Regulation 51 amended**

**15.** Regulation 51 of the principal regulations is amended by deleting all of the regulation after “other parties to the dispute” and substituting the following —

“

would jeopardise —

(a) the continued safe operation and integrity of —

(i) the gas transmission system; or

(ii) the gas distribution system;

or

(b) the safety of any person,

then the whole of the determination is of no effect.

”.

**Regulations 54, 58 and 66 amended**

**16.** Regulations 54 (4), 58 and 66 of the principal regulations are amended by inserting after “transmission contract” the following —

“ , grant of access ”.

By His Excellency’s Command,

J. PRITCHARD, Clerk of the Council.



GAS CORPORATION ACT 1994  
**GAS TRANSMISSION (DISTRIBUTION INTEGRATION)  
 AMENDMENT REGULATIONS 1996**

Made by His Excellency the Governor in Executive Council.

**Citation**

1. These regulations may be cited as the *Gas Transmission (Distribution Integration) Amendment Regulations 1996*.

**Commencement**

2. These regulations come into operation on the day on which the *Gas Distribution Regulations 1996* come into operation.

**Principal regulations**

3. In these regulations the *Gas Transmission Regulations 1994*\* are referred to as the principal regulations.

[\* *Published in Gazette 22 December 1994, pp. 6895-7022.*  
*For amendments to 27 December 1996 see Gazette 29 March 1996.*]

**Regulation 3 amended**

4. (1) Regulation 3 of the principal regulations is amended by inserting in the appropriate alphabetical positions the following definitions —

“

“**associated**”, when used to describe the relationship between —

- (a) any two or more of a notional gate point, a physical gate point and a gate station, means that each of them is associated with the same sub-network;
- (b) an inlet station and an inlet point, means that the inlet station is used to measure gas flows and other parameters at the inlet point; and
- (c) an outlet station and an outlet point, means that the outlet station is used to measure gas flows and other parameters at the outlet point;

“**delivered**” in respect of gas at an inlet point or outlet point, includes deemed by these regulations to be delivered;

**“designated shipper”** in respect of a user and a quantity of gas means the shipper notified to the corporation under regulation 56 of the *Gas Distribution Regulations 1996* by the user for the quantity of gas;

**“designating user”** in respect of a designated shipper means the user (which may be the designated shipper) who gave notice under regulation 56 of the *Gas Distribution Regulations 1996* in respect of the designated shipper;

**“distribution business”** means that part of the corporation (or any subsidiary) which carries on the business and operations involved in the granting of access to, and the maintenance and provision of, gas distribution capacity (as defined in the *Gas Distribution Regulations 1996*);

**“distribution outlet point”** means the flange, joint or other point specified in a grant of access (as defined in the *Gas Distribution Regulations 1996*) as the point at which the user is entitled to take delivery of gas;

**“gate station”** means the metering equipment site associated with a physical gate point, and includes all facilities installed at the site to perform overpressure protection, reverse flow protection, excessive flow protection, gas metering and measurement, and telemetry, and all standby, emergency and safety facilities, and all ancillary equipment and services;

**“notional gate point”** means a point established under regulation 199A;

**“outlet point”** means each flange or joint or other point specified in the transmission contract as a point at which the corporation delivers gas to the shipper under a transmission contract, and includes a notional gate point if it is specified as such in the transmission contract;

**“outlet station”** means either a gate station or the metering equipment site associated with a transmission outlet point, and includes all facilities installed at the site to perform overpressure protection, reverse flow protection, excessive flow protection, gas metering and measurement, and telemetry, and all standby, emergency and safety facilities, and all ancillary equipment and services;

**“physical gate point”** means a flange, joint or other point specified in the description of the gas transmission system prepared by the corporation under clause 3 (3) of Schedule 5 to the Act as a point which marks a boundary between the gas transmission system and the gas distribution system;

**“received”** in respect of gas at an inlet point or outlet point, includes deemed by these regulations to be received;

**“sub-network”** has the same meaning as it has in the *Gas Distribution Regulations 1996*;

**“trading business”** means that part of the corporation (or any subsidiary) which carries on the business and operations involved in marketing and selling gas;

**“transmission outlet point”** means an outlet point which is not a notional gate point;  
”.

(2) Regulation 3 of the principal regulations is amended by deleting the definitions of “outlet point” and “outlet station”.

(3) Regulation 3 of the principal regulations is amended in the definition of “back-haul capacity” by deleting “at the outlet point” and substituting the following —

“  
either at the transmission outlet point or at a distribution outlet point in the associated sub-network  
”.

(4) Regulation 3 of the principal regulations is amended in the definition of “commercially viable” —

- (a) by deleting “means”; and
- (b) by inserting after “service or thing” the following —  
“ means (subject to regulation 198 (6) if applicable) ”.

(5) Regulation 3 of the principal regulations is amended in the definition of “inlet station” by deleting “upstream of the” and substituting the following —

“ associated with an ”.

(6) Regulation 3 of the principal regulations is amended in the definition of “metering equipment” by deleting “at an outlet point” and substituting the following —

“ either at a physical gate point or at a transmission outlet point ”.

(7) Regulation 3 of the principal regulations is amended in the definition of “part-haul capacity” by deleting “at the outlet point” and substituting the following —

“  
either at the transmission outlet point or at a distribution outlet point in the associated sub-network  
”.

(8) Regulation 3 of the principal regulations is amended in the definition of “shipper” by deleting “corporation’s other” and substituting the following —

“ trading ”.

**Regulation 13 amended**

5. Regulation 13 (1) of the principal regulations is amended by deleting “inlet points and outlet points” and substituting the following —

“ inlet points, outlet points and physical gate points ”.

**Regulation 15 amended**

6. (1) Regulation 15 of the principal regulations is amended by deleting the definition of “corporation’s other staff” and inserting after the definition of “senior officer” the following definition —

“  
    **“trading staff”** means any servant, consultant, independent contractor or agent of the corporation who is engaged wholly or partly in the trading business, but does not include the board or any senior officer;  
”.

(2) Regulation 15 of the principal regulations is amended in the definition of “gas trader” by deleting “corporation’s other” and substituting the following —

“ trading ”.

(3) Regulation 15 of the principal regulations is amended in the definition of “senior officer” by deleting paragraph (a) and substituting the following paragraph —

“  
    (a) being partly engaged in the trading business and partly engaged in either or both of the gas transmission business and the distribution business;  
”.

**Regulation 16 amended**

7. Regulation 16 (1) and (2) of the principal regulations are amended by deleting “corporation’s other” wherever it occurs and substituting the following —

“ trading ”.

**Regulation 17 amended**

8. Regulation 17 of the principal regulations is amended by deleting “corporation’s other” and substituting the following —

“ trading ”.

**Regulation 19 amended**

9. Regulation 19 (1) and (2) of the principal regulations are amended by deleting “corporation’s other” wherever it occurs and substituting the following —

“ trading ”.

**Regulation 65 amended**

10. Regulation 65 of the principal regulations is amended by inserting after the definition of “application” the following definitions —

“  
     **“distribution application”** means an application under the *Gas Distribution Regulations 1996*;  
     **“linked application”** means an application in respect of which the applicant requests under regulation 77A that a grant of capacity be not made unless access to gas distribution capacity is granted under the *Gas Distribution Regulations 1996* in response to a distribution application specified in the request;  
     ”.

**Regulation 69 amended**

11. Regulation 69 (2) (b) of the principal regulations is amended by deleting “or outlet point” and substituting the following —

“ , outlet point or physical gate point ”.

**Regulation 70 amended**

12. (1) Regulation 70 (2) of the principal regulations is amended by deleting paragraph (f) and substituting the following paragraph —

“  
     (f) tables setting out —  
         (i) for each proposed inlet point and for each proposed transmission outlet point (if any), the gas quality, temperature and pressure for; and  
         (ii) for each proposed inlet point and for each proposed outlet point whether or not it is a transmission outlet point, the maximum daily and hourly quantities of,  
     the gas the applicant proposes to deliver to the corporation at the inlet point and receive from the corporation at the outlet point;  
     ”.

(2) Regulation 70 (2) of the principal regulations is amended by inserting after paragraph (j) the following paragraph —

“  
 (ja) if the applicant requests that the application be a linked application under regulation 77A, the information required under that regulation;  
 ”.

**Regulation 77 amended**

**13.** (1) Regulation 77 (b) of the principal regulations is amended by inserting after “inlet point and” the following —

“ transmission ”.

(2) Regulation 77 of the principal regulations is amended by inserting after paragraph (b) the following paragraph —

“  
 (ba) that for any notional gate point the associated physical gate points collectively are, or will collectively be, of sufficient capability to accommodate the maximum flow (after incorporating the requested capacity) at the notional gate point, having regard to the individual and collective load characteristics of the applicant and of all shippers granted capacity at the notional gate point, and to the actual gas flows and actual load characteristics at the associated physical gate points;  
 ”.

(3) Regulation 77 (c) of the principal regulations is amended by deleting “outlet station or outlet point” in both places where it occurs and substituting the following —

“ outlet station, outlet point or physical gate point ”.

**Regulation 77A inserted**

**14.** After regulation 77 of the principal regulations the following regulation is inserted —

“  
**Application may be linked to application for distribution capacity**

**77A.** (1) An applicant may request that its application be a linked application, in which case the applicant must provide such details as the corporation reasonably requires to enable the corporation to identify the distribution application to which the linked application is to be linked.

(2) The corporation cannot make a grant of capacity in response to a linked application unless the corporation has made, or has decided to make, a grant of access under the *Gas Distribution Regulations 1996* to a person (which may be the applicant) in response to the distribution application specified in the request under subregulation (1).

”.

**Regulation 78 amended**

15. Regulation 78 of the principal regulations is amended in each of subregulations (1), (2), (4), (5), (6) and (7) by deleting “regulation 77” and substituting the following —

“ regulations 77 and 77A ”.

**Regulation 80 amended**

16. Regulation 80 (2) of the principal regulations is amended by deleting “outlet station or outlet point” and substituting the following —

“ outlet station, outlet point or physical gate point ”.

**Regulation 81A inserted**

17. After regulation 81 of the principal regulations the following regulation is inserted —

“

**Linked application deemed rejected if distribution application is rejected**

81A. If the distribution application to which a linked application is linked under regulation 77A is rejected, or is deemed to be rejected, under the *Gas Distribution Regulations 1996*, the linked application is by force of this regulation rejected and its priority is lost.

”.

**Regulation 88 amended**

18. Regulation 88 of the principal regulations is amended by deleting “corporation’s other” and substituting the following —

“ trading ”.

**Regulation 94 amended**

19. Regulation 94 (a) of the principal regulations is amended by deleting “or deemed to be delivered”.

**Regulation 103 repealed and a regulation substituted**

**20.** Regulation 103 of the principal regulations is repealed and the following regulation is substituted —

“

**Entitlement upon shipper delivering gas to the corporation**

**103.** (1) Subject to subregulation (2) upon the transfer from the shipper to the corporation of title to and possession of a quantity (in terajoules) of gas delivered at an inlet point —

- (a) the shipper becomes entitled to receive from the corporation an equivalent quantity (in terajoules) of gas at a transmission outlet point;
- (b) a designating user becomes entitled to receive from the corporation an equivalent quantity (in terajoules) of gas at a distribution outlet point; or
- (c) the shipper and designating user each become entitled to so receive such a quantity of gas that they receive between them an equivalent quantity (in terajoules) of gas.

(2) Subregulation (1) does not affect —

- (a) these regulations or any transmission contract entitling the corporation to wholly or partly curtail or interrupt a shipper's capacity or to wholly or partly refuse to deliver gas to a shipper; or
- (b) the *Gas Distribution Regulations 1996* or any grant of access entitling the corporation to wholly or partly curtail deliveries of gas to the user.

”.

**Regulation 104 repealed and a regulation substituted**

**21.** Regulation 104 of the principal regulations is repealed and the following regulation is substituted —

“

**Shipper's and user's entitlements not reduced for lost gas or operational fuel**

**104.** A shipper's or user's entitlement to receive gas under regulation 103 is not to be reduced by an allowance for —

- (a) gas consumed or otherwise used by the corporation in its operation of either or both of the gas transmission system or the gas distribution system; or
- (b) gas losses from either or both of the gas transmission system or the gas distribution system.

”.



**Regulation 105 amended**

- 22.** Regulation 105 of the principal regulations is amended —
- (a) by inserting after “shipper’s” the following —  
“ or a user’s ”; and
  - (b) by deleting “contractual and not” and substituting the following —  
“  
contractual entitlement against the corporation, and is not a ”.

**Regulation 106 repealed and a regulation substituted**

- 23.** Regulation 106 of the principal regulations is repealed and the following regulation is substituted —

“  
**Exclusion of right to use and property rights**  
**106.** Neither the delivery of gas to the corporation at an inlet point nor any operation of regulation 103 gives a shipper or a user any right to use of or access to all or any part of the gas transmission system or all or any part of the gas distribution system, or any legal or equitable right or title to or interest in —

- (a) any gas in the gas transmission system or the gas distribution system; or
- (b) all or any part of the gas transmission system or all or any part of the gas distribution system.

”.

**Regulation 107 amended**

- 24.** Regulation 107 (1) and (2) of the principal regulations are amended by deleting “at an outlet point” wherever it occurs and substituting the following —  
“ at a transmission outlet point ”.

**Regulation 144 amended**

- 25.** Regulation 144 (1) of the principal regulations is amended by deleting “(or deemed by these regulations to be delivered)”.

**Regulation 146 amended**

- 26.** Regulation 146 (1) and (2) of the principal regulations are amended by deleting “corporation’s other” wherever it occurs and substituting the following —  
“ trading ”.

**Regulation 148 amended**

**27.** (1) Regulation 148 (2) of the principal regulations is amended by deleting “and the relevant outlet point” and substituting the following —

“  
and —  
(a) if the relevant outlet point is a notional gate point, subject to subregulation (2a), the most downstream physical gate point associated for the time being with the relevant outlet point; or  
(b) otherwise, the relevant outlet point  
”.

(2) Regulation 148 of the principal regulations is amended by inserting after subregulation (2) the following subregulation —

“  
(2a) If at any time a new physical gate point is commissioned in such a location that it becomes the most downstream physical gate point associated with a notional gate point, then the distance-related components of capacity reservation charges and commodity charges for all existing and new shippers with contracted capacity at the notional gate point are to be amended to reflect the increased pipeline kilometres under subregulation (2) (a), and are to take effect as amended from the start of the next gas month after commissioning.  
”.

**Regulation 150 amended**

**28.** Regulation 150 of the principal regulations is amended by deleting “(or deemed by these regulations to be delivered)”.

**Regulation 151 amended**

**29.** Regulation 151 (1) of the principal regulations is amended by deleting “Subject to regulation” and substituting the following —

“ Subject to regulations 148 (2a) and ”.

**Regulation 154 amended**

**30.** (1) Regulation 154 of the principal regulations is amended in each of subregulations (1) and (2) by deleting “outlet station or outlet point” and substituting the following —

“ outlet station, outlet point or physical gate point ”.

(2) Regulation 154 (3) of the principal regulations is amended by deleting “inlet point or outlet point” and substituting the following —

“ inlet point, outlet point or physical gate point ”.

**Regulation 164A inserted**

**31.** After regulation 164 of the principal regulations the following regulation is inserted —

“

**Nominations at notional gate point only by designated shipper**

**164A.** A shipper can only nominate to have the corporation deliver gas to a notional gate point on a gas day, if the shipper is a designated shipper in respect of the associated sub-network for the gas day.

”.

**Regulation 166 amended**

**32.** (1) Regulation 166 (2) of the principal regulations is amended by deleting “in the shipper to gas at the outlet point; and” at the end of paragraph (b) and substituting the following —

“

either in the shipper to gas at the transmission outlet point or, in a designating user to gas at a distribution outlet point in the associated sub-network.

”.

(2) Regulation 166 (2) of the principal regulations is amended —

(a) by inserting after paragraph (a) the following —

“ and ”; and

(b) by deleting paragraph (c).

**Regulation 167 amended**

**33.** Regulation 167 (1), (2), (3) and (4) of the principal regulations are amended by deleting “corporation’s other” wherever it occurs and substituting the following —

“ trading ”.

**Regulation 176 amended**

**34.** Regulation 176 of the principal regulations is amended —

(a) in the definition of “shipper’s hourly quantity” —

(i) by deleting “actually”; and

(ii) by deleting “, or deemed by regulation 194 (5) to have been received,”;

- (b) in the definition of “shipper’s inlet quantity” —
  - (i) by deleting “corporation’s other” wherever it occurs and substituting the following —
    - “ trading ”;
  - (ii) by deleting “actually”; and
  - (iii) by deleting “or deemed by regulation 194 (5) to have been delivered”;
- and
- (c) in the definition of “shipper’s outlet quantity” —
  - (i) by deleting “actually”; and
  - (ii) by deleting “or deemed by regulation 194 (5) to have been received”.

**Regulation 180 amended**

**35.** (1) Regulation 180 (1) and (2) of the principal regulations are amended by deleting “corporation’s other” wherever it occurs and substituting the following —

“ trading ”.

(2) Regulation 180 (2) of the principal regulations is amended —

- (a) by deleting “actually”; and
- (b) by deleting “or deemed by regulation 194 (5) to have been delivered”.

**Regulation 193 amended**

**36.** Regulation 193 of the principal regulations is amended in each of subregulations (3) and (5) by deleting “corporation’s other” and substituting the following —

“ trading ”.

**Regulation 194 amended**

**37.** (1) Regulation 194 of the principal regulations is amended in each of subregulations (1), (6), (8) and (9) by deleting “station” and substituting the following —

“ point ”.

(2) Regulation 194 of the principal regulations is amended by repealing subregulations (2), (3), (4) and (5) and substituting the following subregulations —

“

(2) For any purpose under these regulations or a transmission contract, a shipper's proportional share of the commingled inlet stream at a multi-shipper inlet point is to be determined immediately upstream of the inlet point after all gas streams have been commingled, and a shipper's proportional share of the commingled outlet stream at a multi-shipper outlet point is to be determined immediately downstream of the outlet point.

(3) A shipper's proportional share of the inlet stream at a multi-shipper inlet point may be determined by agreement between all shippers who deliver gas at the multi-shipper inlet point, and a shipper's proportional share of the outlet stream in a tranche at a multi-shipper outlet point may be determined by agreement between all shippers who receive gas at the multi-shipper outlet point.

(4) If shippers fail to reach agreement under subregulation (3), or if the corporation is not notified before 08:30 hours on the day immediately following the gas day in question of any shipper's proportional share of an inlet stream or outlet stream, the corporation may determine any necessary proportional share by apportioning the total metered gas flow through the multi-shipper inlet point, or through the multi-shipper outlet point, by reference to the respective shippers' daily nominations for the gas day for the inlet point, or for the tranche at the outlet point, as the case may be.

(5) In these regulations or a transmission contract —

- (a) any reference to gas delivered to or received by (or to the delivery of gas to or the receipt of gas by) the corporation is by force of this regulation to be taken in respect of a multi-shipper inlet point to be a reference to (or to the delivery or receipt of) the shipper's proportional share of the commingled inlet stream agreed under subregulation (3) or determined under subregulation (4); and
- (b) any reference to gas received by or delivered to (or to the receipt of gas by or the delivery of gas to) a shipper is by force of this regulation to be taken in respect of a multi-shipper outlet point to be a reference to (or to the receipt or delivery of) the shipper's proportional share of the commingled outlet stream agreed under subregulation (3) or determined under subregulation (4).

”.

(3) Regulation 194 (8) of the principal regulations is amended by deleting “agreement affects a shipper's obligations and liabilities to the corporation under these regulations or a transmission contract.” and substituting the following —

“

agreement —

- (a) affects a shipper's obligations and liabilities to the corporation under these regulations or a transmission contract; or

- (b) prevails over any allocation determined under subregulation (4).

”.

(4) Regulation 194 of the principal regulations is amended by repealing subregulation (10) and substituting the following subregulation —

“

- (10) In this regulation —

**“multi-shipper inlet point”** means an inlet point at which more than one shipper delivers gas to the corporation; and

**“multi-shipper outlet point”** means a transmission outlet point at which more than one shipper receives gas from the corporation.

”.

#### **Regulation 198 amended**

**38.** (1) Regulation 198 (1) of the principal regulations is amended by deleting “All inlet stations are” and substituting the following —

“ An inlet station is ”.

(2) Regulation 198 of the principal regulations is amended by repealing subregulation (2) and substituting the following subregulation —

“

(2) An outlet station which is not a gate station is to be installed, operated and maintained by the corporation at the expense of the shipper who receives gas from the corporation at the outlet station, and if more than one shipper receives gas from the corporation at an outlet station which is not a gate station —

- (a) the amounts to be paid to recover the corporation’s investment incurred in installing that outlet station and a reasonable rate of return on that investment are to be apportioned between the shippers by reference to the sum for the time being across all tranches of each shipper’s contracted capacity at the outlet point at that outlet station; and
- (b) the corporation’s costs of operating and maintaining that outlet station are to be apportioned between the shippers by reference to the sum for the time being across all tranches of the quantities of gas received by each shipper at the outlet point at that outlet station.

”.

(3) Regulation 198 (3) of the principal regulations is amended by inserting after “outlet station” the following —

“ that is not a gate station ”.

(4) Regulation 198 of the principal regulations is amended by inserting after subregulation (3) the following subregulations —

“

(4) All gate stations associated with a sub-network are to be installed, operated and maintained by the corporation at the collective expense of all shippers who receive gas from the corporation at the notional gate point for the sub-network, and —

- (a) the amounts to be paid to recover the corporation's investment incurred in installing the gate stations and a reasonable rate of return on that investment are to be apportioned between the shippers by reference to the sum for the time being (across all tranches) of each shipper's contracted capacity at the notional gate point; and
- (b) the corporation's aggregated costs of operating and maintaining the gate stations are to be apportioned between the shippers by reference to the sum for the time being (across all tranches) of the quantities of gas received by each shipper at that notional gate point.

(5) Without limiting the generality of subregulation (4), whenever a new gate station is installed, or a gate station is enhanced, the amounts and costs referred to in subregulation (4) (a) and (b) are to be included in the apportionments between all shippers who receive gas from the corporation at the notional gate point, including without limitation shippers with grants of capacity made before the date of installation or enhancement.

(6) For the purposes of assessing, reporting or otherwise dealing with the commercial viability of any capacity, service or thing related to a physical gate point, a notional gate point or a gate station, the corporation may have regard to the likely impact of subregulations (4) and (5).

”.

#### **Division 8.1A inserted**

**39.** After Division 8.1 of the principal regulations the following Division is inserted —

“

#### ***Division 8.1A — Gate points (notional and physical) and distribution sub-networks***

##### **Notional gate points**

**199A.** (1) There is to be a notional gate point for each sub-network.

(2) All grants of capacity in respect of a sub-network are to be made at the notional gate point for the sub-network.

(3) A grant of capacity can not be made at a physical gate point.

(4) Without limiting the generality of subregulation (2) —

- (a) all curtailments, interruptions and refusals to deliver gas are to be taken to occur at the notional gate point; and
- (b) the corporation may in its absolute discretion manage whether, at what times, to what extent and in what manner gas deemed to be delivered at a notional gate point is physically transported into the associated sub-network.

(5) Nothing in this regulation affects any pricing method for gas distribution capacity under the Act or the *Gas Distribution Regulations 1996* which takes account of the distance between a distribution outlet point or any other point, and the closest physical gate point.

#### **Gas taken by user determines shipper's outlet quantity**

**199B.** (1) Whenever a designating user receives, or is deemed by the *Gas Distribution Regulations 1996* or a grant of access to receive, a quantity of gas at a distribution outlet point in a sub-network, by force of this regulation for all purposes under these regulations and its transmission contract the designated shipper is to be taken to have received (and the corporation is to be taken to have delivered) an equivalent quantity of gas at the notional gate point associated with the sub-network.

(2) The deemed receipt and delivery of gas under subregulation (1) applies in respect of a shipper regardless of —

- (a) the shipper's daily nomination at the notional gate point;
- (b) any metered quantity at any physical gate point or deemed metered quantity at the notional gate point; and
- (c) any deemed receipt or delivery under subregulation (1) in respect of any other shipper at the notional gate point.

#### **Operating arrangement between gas transmission business and distribution business**

**199C.** (1) There is to be an operating arrangement dealing with matters that could be expected to be dealt with by agreement between the gas transmission business and the distribution business if each were a separate legal person, and its terms are to reflect what could be expected to be in an agreement between reasonable and prudent persons.

(2) The operating arrangement is to deal with any operational and technical matters which the corporation considers necessary for the safe, reliable, efficient and convenient integration of the operation and maintenance of the gas transmission system from time to time under the *Gas Transmission Regulations 1994* with the operation and maintenance of the gas distribution system from time to time under the *Gas Distribution Regulations 1996*.



(3) Without limiting the generality of subregulation (2), the operating arrangement may deal with —

- (a) the allocation between the gas transmission system and the gas distribution system of any gas that has been lost or has not been accounted for;
- (b) gas quality, temperature and pressure specifications applicable in respect of each physical gate point;
- (c) determination of the capability of notional gate points, physical gate points and gate stations to deliver gas; and
- (d) information flows between the gas transmission business and the distribution business.

(4) For the purposes of any transmission contract and any grant of access, any pricing calculations or other determinations made by the gas transmission business or the distribution business in accordance with an operating arrangement are to be binding on all shippers and users.

#### **Metering at notional gate points**

**199D.** (1) The quantity of gas passing through a notional gate point in any period of time is by force of this regulation to be taken to be the sum of the quantities metered as passing through all associated physical gate points in that period of time.

(2) Nothing in subregulation (1) is to prevail over the deeming in regulation 199B of the quantity of gas taken by a shipper or shippers at a notional gate point.

#### **Additional and enhanced physical gate points and gate stations**

**199E.** The gas transmission business and the distribution business may determine in their discretion as reasonable and prudent persons whether to install a new, or enhance an existing, physical gate point or gate station.

”.

#### **Regulation 200 amended**

**40.** Regulation 200 of the principal regulations is amended —

- (a) in the definition of “category B gas” by deleting “an outlet point” and substituting the following —  
 “ a transmission outlet point ”; and
- (b) in the definition of “category C gas” by deleting “an outlet point” and substituting the following —  
 “ a transmission outlet point ”.

**Regulation 206 amended**

41. Regulation 206 (1) of the principal regulations is amended by deleting “an outlet point” and substituting the following —

“ a transmission outlet point ”.

**Regulation 208 amended**

42. Regulation 208 of the principal regulations is amended by deleting “an outlet point” and substituting the following —

“ a transmission outlet point ”.

**Regulation 209 amended**

43. Regulation 209 of the principal regulations is amended —

- (a) by inserting after the regulation designation “**209.**” the subregulation designation “(1)”;
  - (b) by deleting “an outlet point” and substituting the following —
    - “ a transmission outlet point ”; and
  - (c) by inserting at the end of the regulation the following subregulation —

“  
     (2) The minimum and maximum temperatures and the minimum and maximum pressures at which gas is to be delivered through a physical gate point are to be specified in the operating arrangement under regulation 199C.  
 ”.

**Regulation 210 amended**

44. Regulation 210 of the principal regulations is amended by deleting “an outlet point” and substituting the following —

“ a transmission outlet point ”.

**Regulation 212 amended**

45. Regulation 212 of the principal regulations is amended by deleting “an outlet point” and substituting the following —

“ a transmission outlet point ”.

**Regulation 213 amended**

**46.** (1) Regulation 213 of the principal regulations is amended in the definition of “duty stream” by deleting “or outlet point” and substituting the following —

“ point, physical gate point, or transmission outlet point ”.

(2) Regulation 213 of the principal regulations is amended in the definition of “standby stream” by deleting “or outlet point” and substituting the following —

“ point, physical gate point, or transmission outlet point ”.

**Regulation 256 amended**

**47.** Regulation 256 (1) of the principal regulations is amended —

(a) by deleting “inlet point and outlet point” and substituting the following —

“ inlet point and the transmission outlet point ”;

(b) by deleting “downstream of the outlet point” and substituting the following —

“ downstream of a transmission outlet point ”; and

(c) by inserting before “outlet point.” the following —

“ transmission ”.

**Schedule 2 amended**

**48.** Schedule 2 to the principal regulations is amended in clauses 3, 4 and 5 by deleting “corporation’s other” wherever it occurs and substituting the following —

“ trading ”.

**Schedule 6 amended**

**49.** Schedule 6 to the principal regulations is amended in Table A by deleting “corporation’s other” in both places where it occurs and substituting the following —

“ trading ”.

**References to “corporation’s other business” in existing instruments to be read as references to “trading business”**

**50.** A reference to “corporation’s other business” in any instrument existing when these regulations come into operation is, after these regulations come into operation, to be read as a reference to “trading business” (as defined in the

principal regulations after these regulations come into operation), despite any definition in the instrument of “corporation’s other business”.

By His Excellency’s Command,

J. PRITCHARD, Clerk of the Council.

