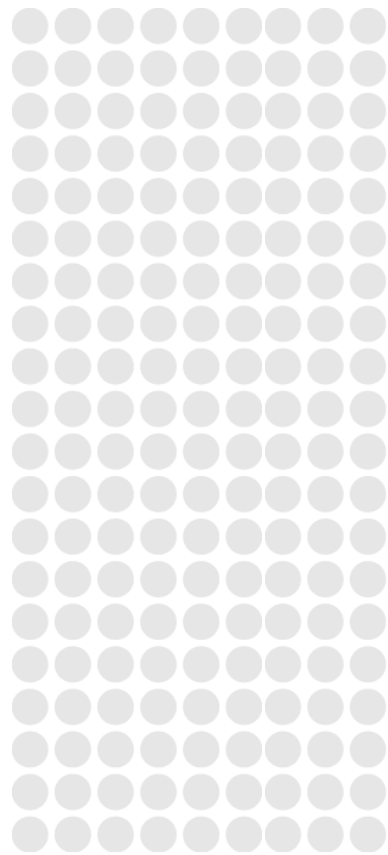




Roma Brisbane Pipeline

2022–27 access arrangement — engagement plan

Updated December 2020





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Message

APA proudly owns the Roma Brisbane Pipeline which plays an important role providing gas to Queensland households and businesses. The gas transported on the RBP is used to power communities and the economy in Queensland.

APA's Purpose is to strengthen communities through responsible energy. This means doing the right thing, even in tough situations; creating value for all our stakeholders; taking a long-term view and being here for our future generations; investing in future technologies and new energy; and innovating for a sustainable future.

The stakeholder engagement we are undertaking as part of our access arrangement plans for the RBP aligns with our Purpose. By consulting widely with parties impacted by the RBP, APA will be able to prepare an access arrangement for 2022 through 2027 that truly does strengthen communities through responsible energy.

In June 2021, we will submit our proposed five-year plans for the RBP to the regulator. Beforehand, we want to know what you, or the individuals and businesses you represent, have to say about our plans.

To that end, we have established the Roma Brisbane Pipeline Community Engagement Group to provide community perspectives about our preliminary thinking. You will find the details of this Group, when and where it will be meeting and how you can participate in the following pages of this report.

This is an exciting and important initiative for APA and we are looking forward to engaging with you.



1 Introduction

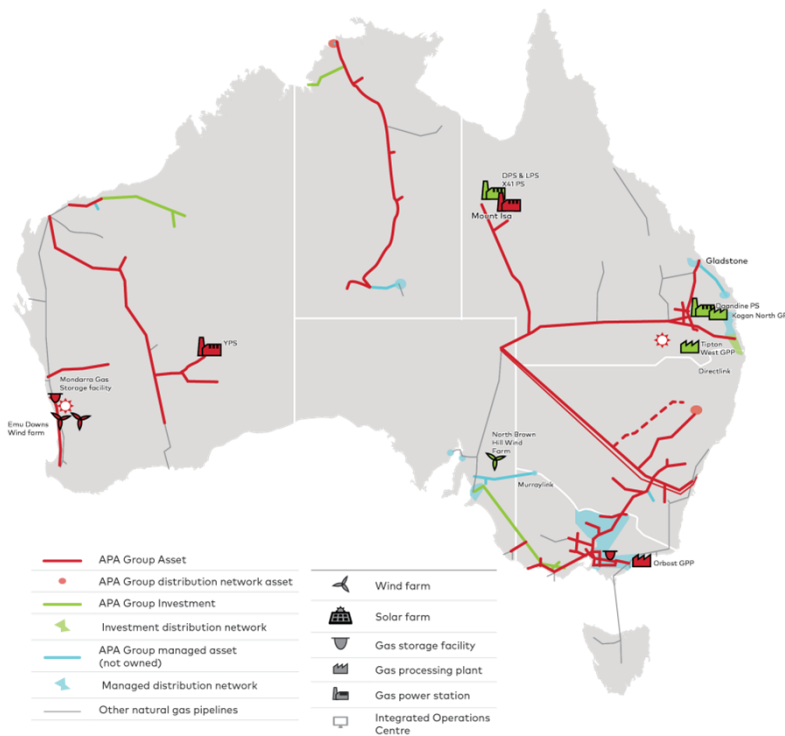
Here we provide an introduction to who we are and what we do, and what we stand for.

1.1 Who is APA

APA has been connecting Australians to energy since 2000. We started with one gas transmission pipeline and now own and operate the largest interconnected gas transmission network in Australia. We carry around half of the gas used in Australian homes and businesses.

And it's not just pipelines. We also own and operate a distribution network, gas storage and processing facilities and a gas power station. APA owns a fleet of wind and solar farms making us the sixth largest owner of renewable assets in Australia.

We own and operate \$21 billion of energy infrastructure assets across Australia and have a skilled workforce of over 1,900 people.





1.2 Our purpose, vision, values

All APA employees work according to our Purpose, Vision, Strategic Imperatives and Culture.

Purpose: We strengthen communities through **responsible energy**.

Vision: To be **world class** in energy solutions.

who we are, how we work...



Our **Purpose** is to strengthen communities through responsible energy.



Our **Vision** is to be world class in energy solutions.



Our **Decision Compass:**

- Do things safely.
- Take a long-term focus.
- Manage APA money as if our own.
- Do what we say we'll do.
- Know our reputation matters.



Our **Customer Promise** is to deliver service you value.

We will...

- Listen to understand.
- Enable our people to respond.
- Do what we say we'll do.



Our **STARS** values:

- Safe.
- Trustworthy.
- Adaptable.
- Results.
- Service.

Our STARS values are Safe, Trustworthy, Adaptable, Results and Service.

The APA Way It's how we do business



Comprising our **STARS** (how we behave) and our **Decision Compass** (how we make decisions).



Our **STARS** values:

- **Safe** — We will maintain a safe environment and a professional workplace where employees work collaboratively, are valued and treated with respect.
- **Trustworthy** — We act with honesty and integrity and accept individual and collective responsibility for the delivery of all business outcomes.
- **Adaptable** — We continually respond and adapt to our changing environment by innovating, modifying our behaviour and continually improving our processes and systems.
- **Results** — We consistently meet our commitments and deliver excellent results to the benefit of our employees, customers, investors and the community.
- **Service** — We are committed to high quality service delivery achieved through listening, understanding, anticipating and responding to our customers' needs.

1.3 Our customer promise

APA launched its Customer Promise in 2019. This Promise clearly states how all APA people will keep our customers at the centre of everything we do.



The customer in Our Customer Promise refers not only to users of our pipelines, called shippers, but also the end users of the gas we are transporting.

1.4 The Energy Charter

APA is a founding member of the Energy Charter, which is an industry-led initiative aimed at improving outcomes for all customers across the spectrum, including households, small businesses, and medium to large enterprises.

As a signatory to the Energy Charter, we have committed to five key principles including putting customers at the centre of our business.



2 About the Roma Brisbane Pipeline

An overview of the RBP and the regulatory landscape that applies to the way we operate it.

2.1 Roma Brisbane Pipeline — serving Queensland customers & community

The 438-kilometre RBP is a transmission pipeline that transports natural gas between the Wallumbilla Gas Supply Hub, near Roma, and Brisbane, and regional centres in between. The associated Peat lateral pipeline is also a transmission pipeline and connects the Peat and Scotia gas fields to the RBP. The RBP is bi-directional.

Further information on the RBP is available on our website at:

[roma brisbane pipeline | APA Group](#)

During the engagement, we will be presenting information on our plans for meeting the needs of consumers and businesses that meets their long term interest.

Tell us what you think

- 1. Is there other information you want us to provide about the Roma Brisbane Pipeline?**
- 2. Is there other information you want us to provide about the Roma Brisbane Pipeline access arrangements?**



3 Regulation of gas transmission pipelines

The regulation of gas transmission pipelines is prescribed in the National Gas Law and Rules.

3.1 Regulatory landscape for RBP

The RBP is regulated under the National Gas Law and the National Gas Rules. The RBP is a fully regulated pipeline system, which means that prices for reference services, and the terms and conditions on which those services are provided, are subject to regulatory oversight by the Australian Energy Regulator.

Oversight of a fully regulated pipeline is achieved through the Australian Energy Regulator approving an initial access arrangement for the pipeline, and subsequently approving periodic revisions to the access arrangement.

The access arrangement for a fully regulated pipeline sets out, among other things, the reference services that can be provided using the pipeline, the terms and conditions on which those services will be provided, and the reference tariffs for the services.

In 2020 we consulted with the RBP community engagement group about the reference services. The AER released its decision in December 2020 on the reference services. The AER accepted the RBP reference service proposal in full. The reference services for the RBP for the next access arrangement period will be a firm transportation service Eastbound and a firm transportation service Westbound.

Our engagement is now turning to the form and content of the access arrangement, and the approval process which must be followed by the Australian Energy Regulator when approving access arrangement revisions, are specified in the National Gas Rules.

The provisions of the access arrangement must be consistent with the national gas objective. Access arrangement revision, and the approval of revisions by the Australian Energy Regulator are, therefore, guided by that objective. The national gas objective is:

“The promotion of efficient investment in, and efficient operation and use of, natural gas services for the long term interests of consumers of natural gas.”

The current 2015-2022 access arrangement requires APA to submit access arrangement revisions on 30 June 2021, and those revisions are expected to have effect for a period of five years from 1 July 2022.

We are now preparing the revised access arrangement for the 2022-2027 regulatory period.



3.2 Regulatory process

The National Gas Rules set out the way the Australian Energy Regulator assesses our proposed revisions to the access arrangement.

The key regulatory milestones and the indicative timeline the Australian Energy Regulator and APA are required to follow are shown below. The stakeholder engagement timetable is set out in 5.1.

Indicative timeline	Milestone	Description
30 June 2020	APA submits reference services proposal to AER	AER will call for submissions to APA's reference services proposal
4 December 2021	AER to publish reference service proposal decision	AER makes a decision on the reference services, taking into consideration our proposal and submissions.
30 June 2021	APA submits access arrangement proposal to AER	Our proposed access arrangement revision will set out our regulatory revenue requirements for reference services and the revised access arrangement.
TBA by AER	AER publishes APA proposal and invites submissions.	The AER will publish our proposal soon after it is submitted and request submissions
TBA by AER	AER to publish access arrangement draft decision	The AER considers the submissions to the proposal and must make a draft decision indicating whether or not the AER is prepared to approve the access arrangement. If not, the AER will set out the changes needed for it to accept the proposal.
TBA by AER	APA submits revised access arrangement proposal	We will consider the AER's draft decision, and if necessary make a revised access arrangement proposal
TBA by AER	Submissions on APA's revised access arrangement proposal close	The AER will publish our revised proposal soon after it is submitted and request submissions
31 March 2022	Final decision published by AER	AER must publishes its access arrangement final decision within 8 months of the date of receipt of



		the access arrangement proposal.
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Tell us what you think:

3. Is there any further information you would like to know about the regulatory landscape for the RBP?
4. Do you have any comments about our engagement on reference services to date?



4 Ways of engaging with you...

Your input will help shape our 2022-27 proposal for the RBP. We are proposing a number of activities to engage with stakeholders.

4.1 APA engagement for regulated assets

APA is committed to better engagement with stakeholders.

The main purpose of the RBP engagement plan is to receive insights and input from the community of gas customers, consumers and stakeholders in Queensland who are impacted by the RBP.

We want the community to have a better understanding of our proposed plans for operating and investing in the RBP over the 2022-2027 access arrangement period. We want to hear your views on our proposed operating expenditure and investments, and we want you to provide the community perspective. Your input will help to shape our thinking for the RBP.

4.2 Engagement principles

APA will utilise best practice principles when engaging with RBP stakeholders. This means:

- **No surprises.** We want consumers and the regulator to feel that during the engagement process we have revealed the details, both big and small, of our plans and thinking.
- **Clear, accurate and timely communication.** We will aim to prepare information with sufficient time for you to consider and provide feedback. We intend to hold monthly roundtables before submitting our access arrangement proposal by 30 June 2021.
- **Easy to understand.** We will prepare and provide accessible, non-technical information that can be read and understood by a wide audience. We propose to make this information available on our website.
- **Transparent.** We aim to be transparent about our thinking and plans. But, as an ASX-listed company, there are rules about what we can and can't make public. The information we provide to you will meet the disclosure requirements.
- **Consumer influence.** We aim to be open about what is and what isn't open to consumer influence. We will let you know about these in advance. For example, our operating and capital expenditure plans are open to influence, however, rates of return have essentially been predetermined and we will be presented for information only.



- **Measureable.** We will seek your feedback on the engagement process, and we will ask you to rate us on the above principles at the end of the engagement for the revised access arrangement.

Ultimately, when developing the regulatory proposal, we want to have an open and honest dialogue with truly engaged consumers.

4.3 Ways we will engage

We want to make consumer engagement accessible to the people and businesses impacted by the RBP. We are looking to engage consumers and stakeholders using a number of different ways.

This document represents our proposed plans to engage with stakeholders. We are interested in hearing your views on the draft engagement plan.

4.3.1 RBP Community Engagement Group

APA has established the RBP Community Engagement Group, which includes representatives from a wide section of the RBP community. We have invited direct customers, prospective customers, industry representatives, consumer advocates, and Queensland Government. We have also invited the Australian Energy Regulator to attend as an observer.

The role of the engagement group is to provide APA with consumer and community perspectives, review our plans, and question our intentions for the access arrangement. We are seeking to better understand what consumers want us to focus on when we prepare our plans.

We will use this feedback to help shape our proposal. The proposed access arrangement will then be submitted to the Australian Energy Regulator for a decision.

4.3.2 Roundtables

As part of our access arrangement preparation APA proposes to hold regular roundtables of RBP Community Engagement Group. The roundtables will continue up to January 2022 when our response to the draft determination is due. At this stage, we are proposing conduct the meeting online via MS Teams. We may review this format in due course.

The indicative timelines for the roundtable are discussed in section 5.



4.3.3 RBP engagement webpage

We have established an engagement page on the APA website for the RBP 2022-2027 access arrangement revision. All the engagement documents for RBP will be placed on this page during the engagement process.

The RBP engagement webpage can be found at:

[Roma Brisbane Pipeline Access Arrangement](#)

4.3.4 Meetings

Stakeholders who are not able to attend the roundtables or wish to meet face-to-face may request a separate meeting. We are willing to meet with stakeholders on an individual basis.

4.4 Scope of engagement

While we will be seeking your views on a wide range of topics, there are some things that are essentially finalised under the regulatory rules that we operate under. We will let you know when this is the case.

The main areas where we seek your views are likely to be for our access arrangement document, capital and operating expenditure proposals and expectations on RBP asset lives.

We expect that the consumer reference group members will represent the views of their organisations. We value the likely broad range of views and will consider them preparing our final proposal. We are not seeking consensus of views from the reference group.

Tell us what you think:

5. Do you have any comments about the way we propose to engage? Anything we could be better?

5 Indicative timeline and topics

We have set out indicative timelines for engagement.

5.1 The plan is to be flexible

The indicative timing for the roundtables and discussion topics is set out in this table. It is only indicative because we will be flexible and ‘play it by ear’ as to the topics for discussion.

Roundtable	Timing (indicative)	Proposed topics
1. Introduction to RBP	Held April 2020	<ul style="list-style-type: none"> • Introduction to APA • About the RBP and east coast market • Regulatory landscape • Access arrangement process
2. RBP reference service consideration	Held May 2020	<ul style="list-style-type: none"> • Proposed reference services • Feedback from previous meeting
3. Access arrangement key issues	Held October 2020	<ul style="list-style-type: none"> • Introduction to key issues for the RBP access arrangement proposal
4. Access Arrangement Document	Held December 2020	<ul style="list-style-type: none"> • Reference service terms and conditions • Queueing Policy • Injection and withdrawal point nominations
5. Asset health and capital expenditure	February 2021	<ul style="list-style-type: none"> • Major forecast capital expenditure • Life expectancy for RBP assets
6. RBP Access Arrangement Proposal	Early-May 2021	<ul style="list-style-type: none"> • Circulation of access arrangement proposal document for comment
7. AER Draft Decision	TBA by AER	<ul style="list-style-type: none"> • Identify and discuss major components of difference between APA proposal and AER draft determination
7a. Possible Revised proposal subject workshop	TBA by AER	<ul style="list-style-type: none"> • If a specific difference is material then a specific workshop will be held to get stakeholder feedback
8. RBP revised proposal	TBA by AER	<ul style="list-style-type: none"> • Proposed revisions to the access arrangement circulated
9. AER final decision	April 2022	<ul style="list-style-type: none"> • Outline the contents of the AERs final determination including reference tariffs

We will seek to engage again once the Australian Energy Regulator has released the draft decision.

Tell us what you think:

6. What are your views about the indicative timeframe and the proposed discussion topics?



6 Next steps... tell us what you think so far

We welcome your ongoing feedback on this proposed engagement plan.

6.1 Feedback

We would appreciate your views on the following questions.

We would welcome feedback on the following questions
1. Is there other information you want us to provide about the Roma Brisbane Pipeline?
2. Is there other information you want us to provide about the Roma Brisbane Pipeline access arrangement?
3. Is there any further information you would like to know about the regulatory landscape for the RBP?
4. Do you have any comments about our engagement on reference services to date?
5. Do you have any comments about the way we propose to engage? Anything we could be better?
6. What are your views about the indicative timeframe and the proposed discussion topics?

6.2 How to contact us

Please feel free to get in touch with us with any questions or to make other comments. Please email your questions or comments to:

Mark Allen

Manager Regulatory

+61 2 9275 0010

mark.allen@apa.com.au

Please contact Mark if you want any further information or to set up a meeting to discuss any aspect of the engagement plan for RBP.