



# Australian Pipeline Trust

## The Role and Priorities of a Modern Gas Transportation Company

Mick McCormack - CEO  
Asian Pipeline Conference  
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- **Economic Drivers**
- **Commercial Imperatives**
- **The Environment**
- **Responding to Change**
- **The Value of Open Access Regimes**
- **Commonality of Interests**
- **Working with Government**
- **APT's International Experience**



- Reliable and affordable gas supply key to Australian economy
- Market focussed and Internationally competitive gas transportation company
- Specialists in what we do
- Over 7500km of transmission pipelines



- Pipelines priced and regulated to meet future demand
- Market-focussed regulatory environment
- Commercially sustainable



- Highly efficient gas transportation
  - environmentally friendly



- Importance of interconnection
- Benefits to governments
- When disaster strikes...

# Gas Transmission Pipelines in Australia



# Existing & Proposed Gas Transmission Pipelines in Australia







- Providing a service to as many as possible, on an open and transparent basis
- Monopolies aren't sustainable
- Build for the future
- Third party access
- Think big!



- Sort out the differences
- Make sure everyone's a winner



- Build close relationships
- Inform government of the issues
- Give them clear and coherent information
- Avoid problems by keeping communication channels open

# Commercial & Technical Issues

## Commercial

- Sanctity of bilateral contracts
- Appropriate risk sharing to underwrite pipeline
- Trading spare capacity

## Technical

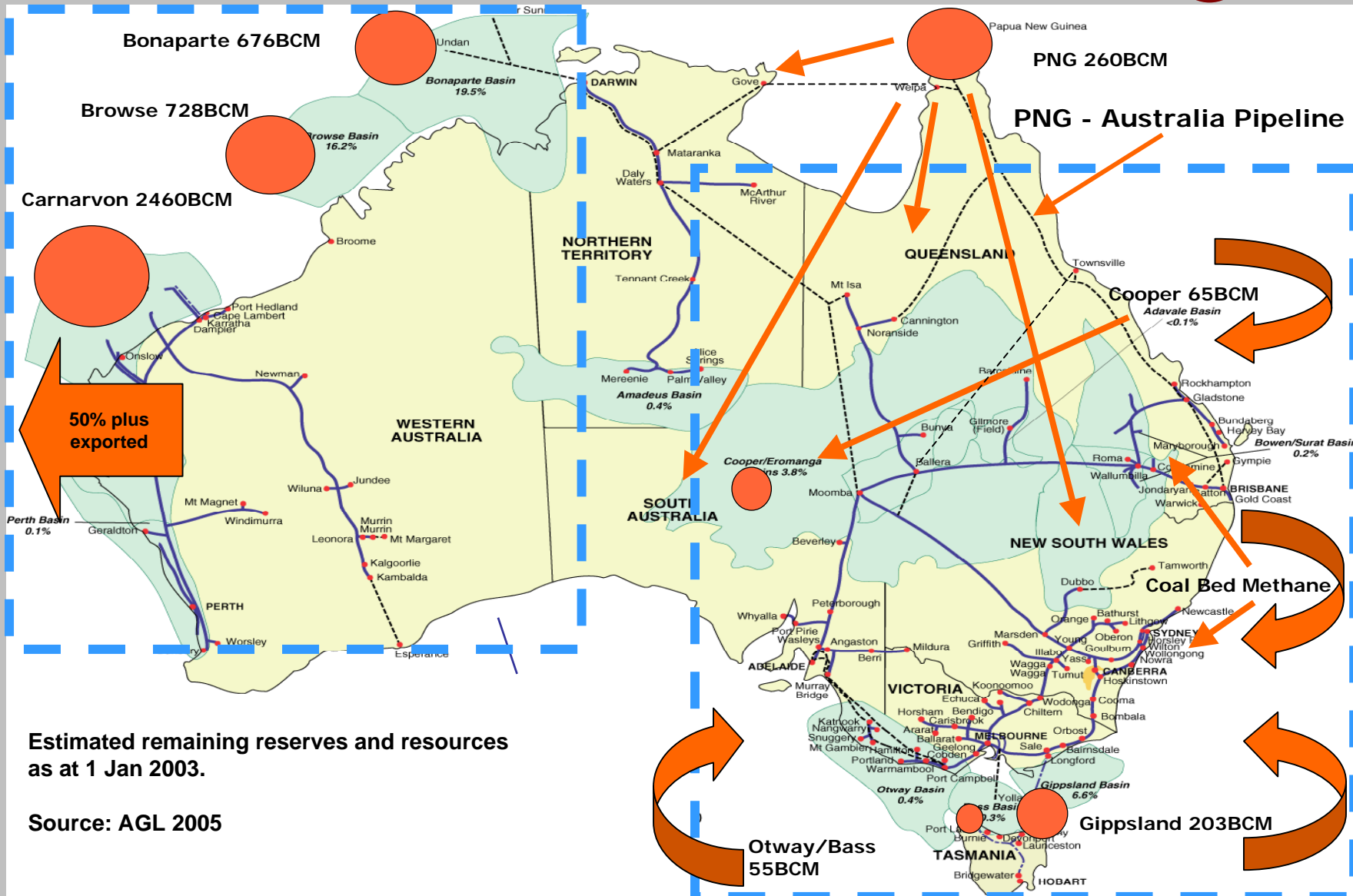
- Common gas specification
- Operating regimes - management of supply interruptions/  
constraints
- Nominations processed

Commercial and technical issues best managed separately

- Australia - PNG Pipeline - AUS \$3 billion construction cost
- Two and a half year construction
- First supply of gas late 2009
- Sizeable reserves, no domestic market

# Gas Resources of Australia and Papua New Guinea

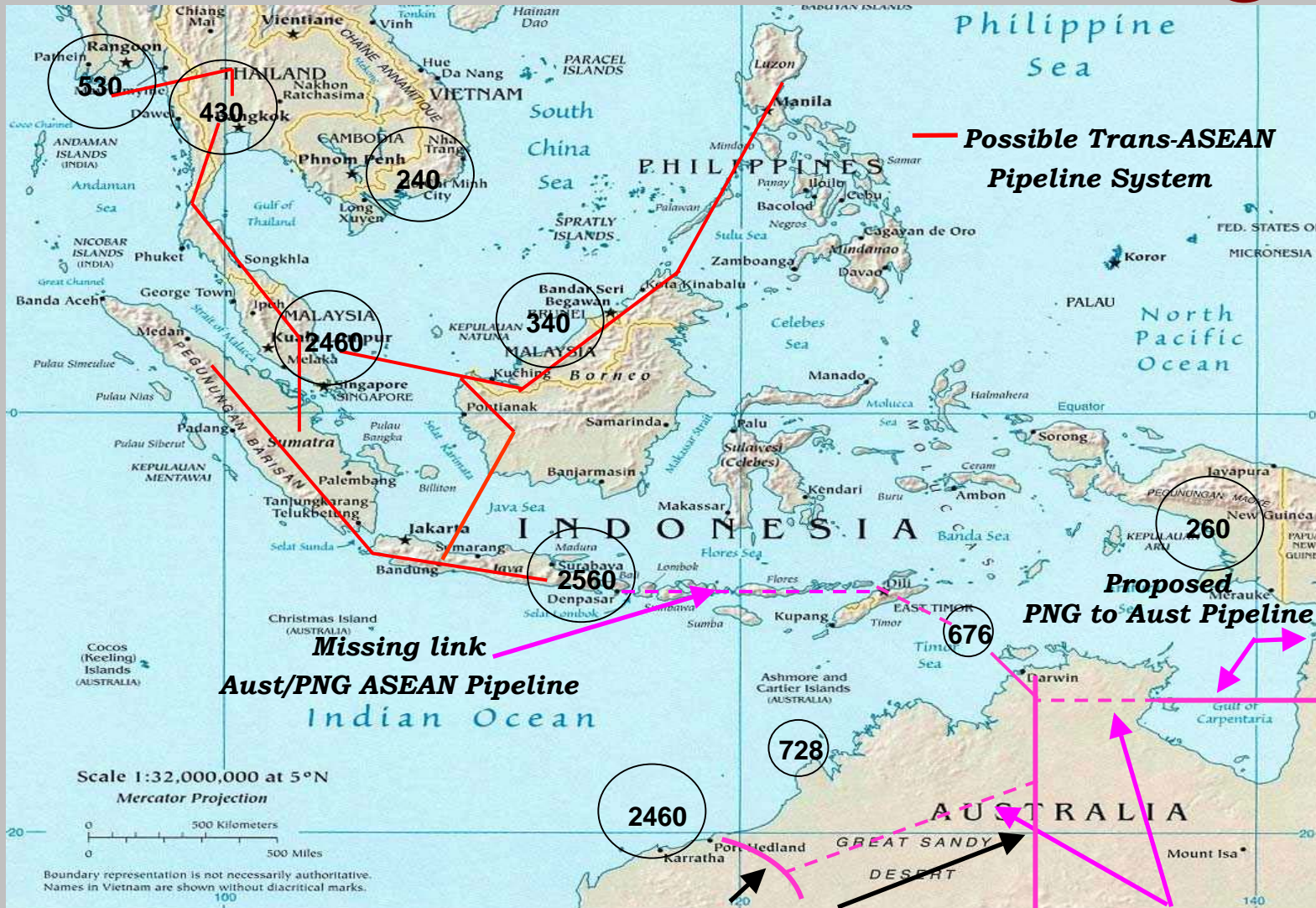
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- Become accustomed to rapid change
- More gas pipeline to south-east Australian markets
- Achieving the dream together!

# Am I dreaming..... is integration of the gas market in the Asia Pacific region possible?



Source: BP website

2460

Indicates gas reserves ("BCM")

Existing pipeline

Pipelines required to integrate Aust/PNG gas market





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