Goldfields Gas Pipeline

Spare Capacity Register

The National Gas Rules require service providers of covered gas transmission pipelines to establish and maintain registers of spare capacity that include information about current and expected future spare capacity on each covered pipeline.

The Goldfields Gas Pipeline is a covered pipeline subject to a full access arrangement. The reference service for the Goldfields Gas Pipeline is a firm service for gas received at Yarraloola and delivered to a new or existing delivery point on the Covered Pipeline.

Goldfields Gas Transmission Pty Limited (GGT) controls and operates the Goldfields Gas Pipeline. GGT is a service provider for the Covered Pipeline.

GGT is not the only service provider for the Goldfields Gas Pipeline. The Goldfields Gas Transmission Joint Venturers, Alinta Energy GGT Pty Ltd, Southern Cross Pipelines Australia Pty Ltd and Southern Cross Pipelines (NPL) Australia Pty Ltd, own the Goldfields Gas Pipeline. They are also service providers for the Covered Pipeline.

Alinta Energy GGT, Southern Cross Pipelines Australia, and Southern Cross Pipelines (NPL) Australia each has an entitlement to pipeline capacity as an owner of the Goldfields Gas Pipeline. These entitlements are recognized by the Goldfields Gas Pipeline Agreement, an agreement with the State of Western Australia which is ratified by the Goldfields Gas Pipeline Agreement Act 1994.

Southern Cross Pipelines Australia and Southern Cross Pipelines (NPL) Australia have, between them, contracted but currently unutilised capacity for the haulage of gas between the receipt points at Yarraloola and the delivery point at Leonora, but that capacity is only available to the Joint Venturers and their associated companies. There is currently no spare capacity available to third parties who might be seeking access to capacity in the Covered Pipeline.

No third party user has advised GGT that it has unutilised contracted capacity.

GGT has no current plan to develop the capacity of the Covered Pipeline.

Processes for access to spare capacity (Goldfields Gas Pipeline Access Arrangement, section 5.2.1(a))

Section 5 of the Goldfields Gas Pipeline Access Arrangement sets out processes through which a prospective user may access capacity in the Covered Pipeline.

These processes can be initiated by a prospective user lodging, with GGT, a registration of interest in services to be provided by spare capacity and/or developable capacity. A registration of interest remains valid for 12 months, but does not assign to the prospective user any priority in gaining access to pipeline capacity.

If less than 2 TJ/d of capacity becomes spare, GGT may allocate that capacity to prospective users on a first come, first served basis.
If 2 TJ/d, or more, of capacity becomes spare, GGT may initiate an “open season” process to allocate that capacity among prospective users. If there is sufficient demand for capacity, and the requirements of prospective users cannot all be met from the available spare capacity, GGT may hold a capacity auction.

If prospective user requirements can only be met by developing capacity in the Goldfields Gas Pipeline, GGT will carry out investigations, and will negotiate with prospective users to determine the required scale and scope of investment in developable capacity.

**Open season**

If 2 TJ/d, or more, of capacity becomes spare, GGT will issue spare capacity notices to all prospective users who have lodged registrations of interest, and will publish spare capacity notices in local and national daily newspapers.

Prospective users – both those who have lodged registrations of interest, and those responding to the spare capacity notices published in the newspapers – should submit expressions of interest in pipeline services provided using the spare capacity by the closing date specified in the spare capacity notices.

Where all of the pipeline services in question can be met using the available spare capacity, GGT will enter into negotiations with each of the prospective users who has submitted an expression of interest for access to capacity for the provision of the services sought.

**Capacity auction**

If all of the pipeline services sought through expressions of interest cannot be met using the available spare capacity, and GGT determines that there is sufficient demand, GGT will notify each of the prospective users who has submitted an expression of interest that the service provider will accept bids for the available spare capacity.

The form, and timing of submission, of a complying bid are set out in section 5.2.3(d) of the Goldfields Gas Pipeline Access Arrangement.

A complying bid is deemed to be an irreversible request for capacity that is capable of immediate acceptance by GGT.

If all of the complying bids can be satisfied from the available spare capacity, GGT will contract with each bidder who has submitted a complying bid.

If there is insufficient spare capacity to satisfy all of the complying bids, GGT will rank the bids (highest to lowest) according to the present values of the services being sought, and will allocate the available spare capacity to the highest ranked bids.

**Developable capacity**

If user requirements for pipeline services can be satisfied only by developing capacity, GGT may carry out an investigation to determine the required scale and scope of investment in developable capacity.

GGT will carry out the investigation needed to determine whether capacity can be developed for the provision of pipeline services only if a prospective user agrees to bear, or if multiple prospective users agree to bear, the costs of the investigation. Prospective users
who bear the costs of an investigation will have priority in respect of access to capacity ahead of prospective users who decline to bear those costs.

If GGT determines, from the registrations of interest which have been lodged and the investigation undertaken, that the development of capacity is technically and economically feasible, GGT will enter into negotiations with prospective users for access to the developable capacity.

GGT must invest to develop capacity in the Goldfields Gas Pipeline if that development is technically and economically feasible, and consistent with the safe and reliable operation of the pipeline, but cannot be required to:

(a) fund an expansion of pipeline capacity; and

(b) extend the geographical range of the pipeline.

Prospective users should consult section 5 of the Access Arrangement for the Goldfields Gas Pipeline

The preceding paragraphs describe the process for accessing spare and/or developable capacity in the Covered Pipeline. A prospective user should consult section 5 of the Goldfields Gas Pipeline Access Arrangement for the specific requirements for, and the procedures to be followed when, seeking access to spare or developable capacity.

Contact

The Goldfields Gas Pipeline commercial team would welcome the opportunity to discuss your requirements. Please contact us on 08 6189 4300.