

Special Conditions

1. Additional definitions

These definitions apply unless the context requires otherwise.

Additional Interruptible Service means the additional gas transportation service which APA must provide to the Foundation Shipper under the Foundation Shipper's GTA to the extent that the conditions on a Day or performance of the Pipeline and associated facilities result in additional gas transportation services being available to the Foundation Shipper with the use of only one compressor.

APA's Facilities means the pipelines, compressors and associated equipment necessary or otherwise used to enable APA to take Gas from the Receipt Points and transport and deliver the Gas to the Delivery Points, including the Pipeline.

Authorisation means:

- (a) an authorisation, consent, declaration, exemption, notarisation or waiver, however, it is described; and
- (b) in relation to anything that could be prohibited or restricted by law if an Authority acts in any way within a specified period, an authorisation that arises upon the expiry of that period without that action being taken,

including any renewal or amendment.

Buy-Out Notice means a notice issued by the Foundation Shipper in accordance with the Foundation Shipper's GTA directing APA to sell APA's Facilities to the Foundation Shipper.

Foundation Shipper means the first shipper to enter into an agreement with APA for the transportation of Gas on the Pipeline.

Foundation Shipper's Firm Transportation Service means the gas transportation service described in clause 8.1 of the Foundation Shipper's GTA.

Foundation Shipper's Interruptible Service means the Table 1.2 Interruptible Service and the Additional Interruptible Service.

Foundation Shipper's GTA means the gas transport agreement between APA, the Foundation Shipper and various other parties dated 13 October 2003.

Purchase Notice means a notice issued by APA in accordance with the Foundation Shipper's GTA directing the Foundation Shipper to purchase APA's Facilities from APA.

Second Shipper means the second shipper to enter into an agreement with APA for the transportation of Gas on the Pipeline.

Second Shipper's GTA means the gas transportation agreement between APA and the Second Shipper dated 29 August 2005.



Second Shipper's Interruptible Service means the gas transportation service described in clause 4.2 of the Second Shipper's GTA.

Table 1.2 Interruptible Service means the gas transportation service pursuant to which APA must use reasonable endeavours to receive and deliver Gas nominated by the Foundation Shipper in excess of the Equivalent MDQ and Equivalent MHQ (as those terms are defined in the Foundation Shipper's GTA) up to the relevant amount stated in Table 1.2 of the Foundation Shipper's GTA for the applicable conditions.

2. Substituted definitions

These definitions apply in substitution for the applicable definitions in clause 1.1.

Firm Users has the meaning given in clause 4.2(a)(ii).

3. Scheduling priorities

Delete clause 4.2 and substitute –

4.2 Scheduling priorities

- (a) If there is not sufficient Capacity to receive or deliver all the quantities of Gas nominated by all Users on any Day, then APA must Schedule the quantities nominated by Users (including Shipper) in the following priority and sequence (subject to STTM Rules and other Laws and the operability of applicable gas markets and pipeline networks). Scheduling limitations will be applied only to the portion or portions of the relevant Pipeline that are capacity constrained.
- (i) First – quantities nominated by the Foundation Shipper in accordance with the Foundation Shipper's Firm Transportation Service.
 - (ii) Second – quantities nominated by Users under Firm Transportation Agreements (**Firm Users**), not to exceed their respective MDQs for firm services under those agreements. If the Capacity available is not sufficient to receive or deliver all Firm Users' nominated quantities, then the available Capacity will be allocated among those Firm Users pro rata on the basis of their respective MDQs for firm services under those agreements.
 - (iii) Third – quantities nominated by the Foundation Shipper in accordance with the Foundation Shipper's Interruptible Service.
 - (iv) Fourth – quantities nominated by the Second Shipper in accordance with the Second Shipper's Interruptible Service.
 - (v) Fifth – quantities nominated by Users with as available Transportation Agreements, not to exceed their respective MDQs for as available services under those agreements. If the Capacity available is not sufficient to receive or deliver all Users' nominations pursuant to as available services, then the

available Capacity will be allocated among those Users pro rata based on their nominations for as available services.

- (vi) Sixth – quantities nominated by Users pursuant to authorised overrun services. If the Capacity available is not sufficient to receive or deliver for all Users requesting authorised overrun services, then the available Capacity will be allocated among those Users pro rata based on their nominations for authorised overrun services.
 - (vii) Seventh – quantities nominated by Users pursuant to Interruptible Transportation Agreements (excluding the Foundation Shipper and the Second Shipper). If the Capacity available is not sufficient to receive or deliver for all Users requesting interruptible services, then APA must allocate the available Capacity equitably (that is, on the basis of tariffs paid, first-come-first-served, pro rata based on nominated quantities or such other basis as APA reasonably determines) among Users who have entered into Interruptible Transportation Agreements.
- (b) Backhaul services are Scheduled in accordance with the priorities set out in paragraph (a) to the extent (where applicable) that sufficient matching services are Scheduled on the relevant Day. If the Capacity available is not sufficient to receive or deliver for all Users requesting backhaul services, then APA must allocate the available Capacity equitably (that is, on the basis of tariffs paid, first-come-first-served, pro rata based on nominated quantities or such other basis as APA reasonably determines) among Users who have entered into backhaul Transportation Agreements.
- (c) Users' redirection services, and pressure services for which priority is not determined as a result of the application of paragraph (a), will be Scheduled in accordance with the priorities set out in paragraph (a) after backhaul services are Scheduled and to the extent that there are sufficient quantities of Gas to be either actually or notionally received in or delivered from the relevant Pipeline (or to be compressed as the case requires), either on account of Shipper or another User, to facilitate the services on the relevant Day.
- (d) In all cases of Scheduling adjustments, Shipper's Operational MDQ is deemed to be Scheduled in the following priority:
- (i) First - Purchased Capacity for the Day.
 - (ii) Second - Contract MDQ which is not the subject of a Capacity Trade with another User for the Day.

4. Curtailment

Delete clause 4.5 and substitute –

4.5 Curtailment

- (a) If, on any Day or in any Hour the Capacity of the relevant Pipeline or any portion of it, or the capacity of any Receipt Point or Delivery Point, is insufficient to receive, transport or deliver all the quantities of Gas Scheduled for all Users, then APA may on that Day or in that Hour curtail or interrupt the receipt, transportation or delivery of Gas (as the case may be) in accordance with the sequence and priorities set out below to the extent necessary to provide Transportation Services within the Capacity of the relevant Pipeline at the relevant time (subject to STTM Rules and other Laws and the operability of applicable gas markets and pipeline networks). Curtailment will be applied only to the portion or portions of the relevant Pipeline that are capacity-constrained.
- (i) First – Overrun Quantities under this Agreement and overrun quantities under other Transportation Agreements (excluding the Foundation Shipper and Second Shipper).
 - (ii) Second – quantities pursuant to Interruptible Transportation Agreements (excluding the Foundation Shipper and the Second Shipper). If the Capacity available is not sufficient to receive or deliver for all Users requesting interruptible services, then APA must allocate the available Capacity equitably (that is, on the basis of tariffs paid, first-come-first-served, pro rata based on nominated quantities or such other basis as APA reasonably determines) among Users who have entered into Interruptible Transportation Agreements.
 - (iii) Third – quantities for transportation for Users pursuant to authorised overrun services. If the Capacity available is not sufficient to receive or deliver all Users' authorised overrun quantities, then the available Capacity will be allocated among those Users pro rata based on Scheduled quantities.
 - (iv) Fourth – quantities for transportation for Users with as available Transportation Agreements up to their respective MDQs (or Receipt Point MDQs or Delivery Point MDQs, as applicable) for as available services under those agreements. If the Capacity available is not sufficient to receive or deliver all Users' as available quantities, then the available Capacity will be allocated among those Users pro rata based on Scheduled quantities.
 - (v) Fifth – quantities for transportation to the Second Shipper pursuant to the Second Shipper's Interruptible Service.
 - (vi) Sixth – quantities for transportation to the Foundation Shipper pursuant to the Foundation Shipper's Interruptible Service.
 - (vii) Seventh – quantities for transportation to Users pursuant to Firm Transportation Agreements (excluding the Foundation Shipper), not to exceed their respective MDQs for firm services under



those agreements. If the Capacity available is not sufficient to receive or deliver all Firm Users' quantities, then the available Capacity will be allocated among those Firm Users pro rata on the basis of their respective MDQs (or Receipt Point MDQs or Delivery Point MDQs, as applicable) for firm services under those agreements.

- (viii) Eighth – quantities for transportation to the Foundation Shipper pursuant to the Foundation Shipper's Firm Transportation Service.
- (b) Without limiting paragraph (a), backhaul services are subject to interruption or curtailment prior to any other quantities (except redirection quantities) to the extent (where applicable) that there are insufficient matching services to permit a backhaul service. If the Capacity available is not sufficient to receive or deliver for all Users requesting backhaul services, then APA must allocate the available Capacity equitably (that is, on the basis of tariffs paid, first-come-first-served, pro rata based on nominated quantities or such other basis as APA reasonably determines) among Users who have entered into backhaul Transportation Agreements.
- (c) Without limiting paragraph (a), Users' redirection services, and pressure services for which interruption or curtailment is not determined as a result of the application of paragraph (a) , may be interrupted or curtailed in accordance with the priorities set out in paragraph (a) to the extent that there are insufficient quantities of Gas to be either actually or notionally received in or delivered from the relevant Pipeline (or to be compressed as the case requires), either on account of Shipper or another User, to facilitate the services on the relevant Day.
- (d) In all cases of adjustments for curtailment, Shipper's Operational MDQ is deemed to be curtailed in the following priority:
 - (i) First - Contract MDQ which is not the subject of a Capacity Trade with another User for the Day.
 - (ii) Second - Purchased Capacity for the Day.

5. Shipper's Liability to Foundation Shipper

Notwithstanding clause 23:

- (a) if APA interrupts the Foundation Shipper's Firm Transportation Service directly or indirectly as a result of Shipper supplying or taking any Overrun Quantity, Shipper is liable to the Foundation Shipper for any Loss (including Consequential Loss) suffered by the Foundation Shipper; and
- (b) if APA interrupts the Foundation Shipper as a result of Shipper having an Imbalance exceeding the Imbalance Allowance, Shipper is liable to the

Foundation Shipper for any Loss (including Consequential Loss) suffered by the Foundation Shipper.

6. Foundation Shipper Buy-Out

6.1 Foundation Shipper Buy-Out

Shipper acknowledges that under the Foundation Shipper's GTA, in certain circumstances:

- (a) the Foundation Shipper may direct APA to sell APA's Facilities to the Foundation Shipper by issuing a Buy-Out Notice; and
- (b) APA may direct the Foundation Shipper to purchase APA's Facilities by issuing a Purchase Notice.

6.2 Deed of Novation

If the Foundation Shipper or its nominees issues a Buy-Out Notice, or if APA issues a Purchase Notice, the Shipper must execute a deed of novation in the form set out in Schedule 9 of the Foundation Shipper's GTA (or such other form as the Foundation Shipper and APA may agree) within 20 Business Days of the notice being issued to give effect to the novation of APA's rights and obligations under this Agreement to the Foundation Shipper or its nominees from the date of the sale of APA's Facilities.

6.3 Review of APA's Facilities

- (a) Shipper acknowledges that under the Foundation Shipper's GTA under certain circumstances, the Foundation Shipper is entitled to appoint an independent engineer to conduct a full technical and operational review and examination of APA's Facilities prior to exercising its buy-out rights.
- (b) If the Foundation Shipper gives notice to APA to appoint an independent engineer to conduct such a review and examination, then Shipper must cooperate and assist APA in meeting all reasonable requests made by the independent engineer in conducting its review.

6.4 Transfer of permits

- (a) Shipper acknowledges that under the Foundation Shipper's GTA, following the issue of a Purchase Notice, APA is obliged to, on or before the date specified in the Purchase Notice, procure the transfer to the Foundation Shipper or its nominees of such approvals, licenses, permits, consents, Authorisations, easements, land access agreements, native title agreements or heritage approvals as are held by APA that are necessary for the performance of this Agreement.
- (b) If APA gives a Purchase Notice, then Shipper must promptly give all consents and approvals and take any other steps that are reasonably required to effect the transfers described in paragraph (a).



7. Foundation Shipper Step In

- (a) Shipper acknowledges that the Foundation Shipper has step in rights in certain circumstances under the Foundation Shipper's GTA and on exercising its step in rights, the Foundation Shipper or its nominees will assume possession of the Pipeline and APA will relinquish management and operational power in respect of the Pipeline, and provide documents, information, materials and other information to the Foundation Shipper or its nominees, to the extent reasonably necessary to enable the Foundation Shipper or its nominee to manage and operate the Pipeline and to carry out such work and services which the Foundation Shipper or its nominees believes to be required to remedy the relevant default. APA will notify Shipper as soon as practicable once the Foundation Shipper has exercised its step in rights.

- (b) APA will notify Shipper as soon as practicable once the Foundation Shipper has ceased to exercise its step in rights and APA has resumed such possession, management and operational power of the Pipeline.

[Insert additional Special Conditions, if any]