

Queensland



Subordinate Legislation 2003 No. 122

Gas Supply Act 2003

GAS SUPPLY REGULATION 2003

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PART 1—PRELIMINARY

1 Short title

This regulation may be cited as the *Gas Supply Regulation 2003*.

2 Commencement

This regulation commences on 1 July 2003.

3 Definitions

The dictionary in schedule 2 defines particular words used in this regulation.

PART 2—MARKET OPERATING ARRANGEMENTS IN NATURAL GAS MARKET

Division 1—Preliminary

4 Simplified outline of pt 2

In outline, this part—

- (a) approves a code of conduct about arrangements for the operation or use of—
 - (i) a distribution pipeline that is a covered pipeline; or
 - (ii) a covered transmission pipeline, to the extent its operation or use affects the operation or use of a distribution pipeline that is a covered pipeline; and
- (b) does each of the following things, in some cases by reference to the code of conduct—
 - (i) provides for the arrangements;
 - (ii) imposes stated terms on the arrangements;
 - (iii) provides for the legal effect or enforcement of the terms.

5 Code approved

The code is approved and has taken effect.¹

6 References in pt 2

In a provision of this part about a network operator, a reference to—

- (a) the network or a network section is a reference to the network or a network section owned or operated by the network operator; and
- (b) a delivery point is a reference to a delivery point within a network section owned or operated by the network operator; and
- (c) a network user is a reference to a network user who is a party to a market services agreement with the network operator.

7 Relationship of pt 2 and market services agreement with Gas Pipelines Access (Queensland) Law etc.

(1) If a provision of this part or a market services agreement is inconsistent with the Gas Pipelines Access (Queensland) Law or an access arrangement approved under the third party access code, the law or access arrangement prevails to the extent of the inconsistency.

(2) In this section—

“**third party access code**” means the National Third Party Access Code for National Gas Pipeline Systems, a copy of which is contained in the schedule of the Gas Pipelines Access (Queensland) Law.

Division 2—Terms of arrangement

8 Network operator and user to enter into market services agreement

(1) A user who proposes to begin supplying fuel gas to 1 or more contestable customers (a “**relevant user**”) must give a negotiation notice to the relevant network operator.

¹ See also former section 7C (Code approved) of the *Gas Regulation 1989*.

(2) The relevant user and the relevant network operator must negotiate a market services agreement in good faith.

(3) If the relevant user and the relevant network operator do not enter into a market services agreement within 100 days after the day on which the network operator received the negotiation notice, the parties are taken to have entered into a market services agreement consisting of the required terms.

(4) A market services agreement must include the required terms without amendment.

(5) In this section—

“negotiation notice” means a written notice stating—

- (a) that a relevant user requires the relevant network operator to negotiate a market services agreement with the user; and
- (b) any terms, other than the required terms, the user intends to negotiate with the network operator.

“relevant network operator”, for a relevant user, means the network operator of a network through which fuel gas is or will be transported for supply to a contestable customer of the user.

“required terms” means the terms stated in the code, parts B to F.

9 Creation and operation of delivery point registry

(1) A network operator must establish, operate and manage a database (a **“delivery point registry”**) as required under the code.²

(2) The network operator must ensure the delivery point registry contains the following information (the **“delivery point information”**) for each delivery point—

- (a) the numeric name of the delivery point;
- (b) the network user for whom fuel gas is supplied at the delivery point;
- (c) the network section the delivery point is within;
- (d) the name of the point at which fuel gas enters the network section;

2 See the code, rule 5.

- (e) the date on which the delivery point was first entered in the registry;
 - (f) if the information mentioned in paragraphs (a) to (e) is amended after the registry is established—
 - (i) each date on which the information is amended; and
 - (ii) the name of the person who requested the most recent amendment.
- (3) The network operator must—
- (a) give a unique numeric name, as required under the code,³ to each delivery point; and
 - (b) when the delivery point information for a delivery point is created or amended—give the delivery point information to the current user of the delivery point.

10 Network user to provide accurate information for delivery point registry

A network user must—

- (a) confirm to the network operator whether, to the network user's knowledge, delivery point information given to the network user under section 9(3) is correct; and
- (b) use the network user's reasonable endeavours, as required under the code,⁴ to enable the network operator to include current and accurate information in the delivery point registry.

11 Amendments to delivery point information

(1) A network user may, by written notice as required under the code,⁵ request the network operator to amend delivery point information in the delivery point registry by—

- (a) changing the current user of a delivery point; or
- (b) creating a new delivery point; or

3 See the code, rule 6.1(1).

4 See the code, rules 6.1(4) and 7.2.

5 See the code, rules 7.3, 8.1, 9.1 and 10.1.

(c) deactivating a delivery point.

(2) On receiving a request mentioned in subsection (1), the network operator must amend the information or not amend the information, and do any other thing, as required under the code.⁶

(3) Without limiting subsection (2), if a request mentioned in subsection (1)(b) is made and the network operator processes the request as required under the code,⁷ the network operator must—

- (a) within 100 days after receiving the request, install hourly metering equipment at the new delivery point; and
- (b) on complying with paragraph (a), give the network user a notice stating—
 - (i) that the hourly metering equipment has been installed at the delivery point; and
 - (ii) the day on which the requested amendment takes effect.

(4) The network user may withdraw a request mentioned in subsection (1)(a) or (c) at any time before the network operator gives the network user a notice stating the day on which the requested amendment takes effect.

12 Access to information about delivery point—network user

(1) A network user may, by written notice, ask the network operator for any of the following information about a delivery point—

- (a) the delivery point information;
- (b) the quantity of fuel gas supplied at the delivery point during the period stated in the notice;
- (c) the quantity of fuel gas supplied at the delivery point and consumed by a contestable customer on an hourly basis during the period;
- (d) the features of the hourly metering equipment installed at the delivery point.

6 See the code, rules 7.1, 7.5 and 8 to 10.

7 See the code, rule 9.2 and 9.3.

(2) On receiving a notice mentioned in subsection (1), the network operator must give the information, or refuse to give the information, as required under the code.⁸

13 Access to information about delivery point—current user

(1) The current user of a delivery point may, by written notice, ask the network operator for information about the delivery point that the network operator could reasonably be expected to have.

(2) The network operator must, within a reasonable time after receiving a notice mentioned in subsection (1), respond in writing to the request.

14 Confidentiality

(1) A network operator must not disclose information about a delivery point to a person who is not a network user.

(2) However, subsection (1) does not apply if disclosure of the information is permitted or required by law.⁹

15 Metering equipment and data

A network operator must do each of the following things as required under the code¹⁰—

- (a) notify the current user of a delivery point of particular irregularities in the hourly metering equipment installed at the delivery point;
- (b) collect the data mentioned in the code, rule 16.1 for each delivery point;
- (c) give the current user of the delivery point the data mentioned in the code, rule 16.2;
- (d) ensure estimated meter readings are calculated;
- (e) appoint an auditor;

8 See the code, rule 11.2 and 11.3.

9 See, for example, the code, rule 13.

10 See the code, rules 15, 16 and 18.

- (f) obtain and, on request, make available to a network user an auditor's report on the network operator's data collection and management procedures.

16 Development of procedures

A network operator and a network user must use their reasonable endeavours to develop and implement procedures under the code.¹¹

17 New user—allocation of fuel gas

(1) This section applies if a network user, other than an incumbent retailer, becomes the current user of a delivery point.

(2) The operator of the transmission pipeline through which fuel gas is conveyed to the network must give the network operator—

- (a) the name of the points at which fuel gas enters the network; and
- (b) any other information about fuel gas conveyed through the network as required under the code.¹²

(3) The network operator must, as required under the code,¹³ do each of the following—

- (a) supply, at the network operator's expense, enough unaccounted for fuel gas to operate the network;
- (b) work out the quantity of fuel gas withdrawn at a delivery point by an incumbent retailer;
- (c) give a network user the following information—
 - (i) the heating value, and any change to the heating value, of fuel gas transported through a network section that includes a delivery point of which the network user is the current user;
 - (ii) for each delivery point of which the network user is the current user—the quantity of fuel gas withdrawn at the delivery point;

11 See the code, rule 17.

12 See the code, rule 19.3(2).

13 See the code, rules 19.3(3), 20, 21.3 and 21.4.

- (iii) the quantity of fuel gas supplied by a shipper for the network user;
- (d) notify the operator of the transmission pipeline of the quantity of fuel gas withdrawn at each delivery point;
- (e) notify a shipper of the quantity of fuel gas the shipper is taken to have supplied for a network user.

(4) The network user must, as required under the code,¹⁴ give the network operator the information mentioned in the code, rule 21.1 about a shipper supplying fuel gas for the network user.

(5) In this section—

“heating value” means the number of megajoules produced by the combustion at constant pressure of 1 standard m³ of fuel gas when the water vapour formed during combustion is condensed.

“unaccounted for fuel gas” means fuel gas that—

- (a) enters a network section; and
- (b) is not withdrawn by a contestable customer at a delivery point.

18 Dispute resolution

(1) A person who is a party to a dispute about compliance with the code may give each other party to the dispute a written notice stating—

- (a) the details of the dispute; and
- (b) that the dispute is to be referred to mediation.

(2) If a notice mentioned in subsection (1) is given, the dispute must be referred to mediation as required under the code.¹⁵

(3) If the dispute is not settled by mediation, a party to the dispute may elect to have the dispute decided, in the way provided for under the code,¹⁶ by an independent expert.

14 See the code, rule 21.1.

15 See the code, rule 22.2.

16 See the code, rule 22.3 to 22.10.

19 Rules interpretation register

(1) A network operator must use the network operator's best endeavours to establish and maintain, as required under the code,¹⁷ a register containing copies of any written decision of a dispute about the network.

(2) The network operator must, on the request of a network user and payment to the network operator of any fee decided by the network operator, give the network user a copy of the register or any decision contained in it.

(3) A fee decided by the network operator must not be more than the reasonable cost of producing the copy.

PART 3—MISCELLANEOUS PROVISIONS

20 Fees

The fees payable under the Act are stated in schedule 1.

PART 4—AMENDMENT OF GAS REGULATION 1989

21 Regulation amended in pt 4

This part amends the *Gas Regulation 1989*.

22 Amendment of s 5 (Definitions)

Section 5, definitions “code”, “covered distribution pipeline”, “current user”, “customer”, “delivery point”, “delivery point information”, “delivery point registry”, “distribution pipeline”, “hourly metering equipment”, “market services agreement”, “network”, “network operator”, “network section”, “network user”, “shipper”, “transmission pipeline” and “user”—
omit.

¹⁷ See the code, rule 23.

23 Omission of pt 1A (Contestability arrangements)

Part 1A—

omit.

SCHEDULE 1

FEES

section 20

PART 1—DISTRIBUTION AUTHORITIES

	\$
1. Application for distribution authority (Act, s 28)	250.00
2. Amount payable for each financial year during the term of an area distribution authority (Act, s 40)—	
(a) natural gas distribution area less than 100 km ²	500.00
(b) natural gas distribution area 100 km ² or more but less than 300 km ²	5 000.00
(c) natural gas distribution area 300 km ² or more	20 000.00
(d) distribution area for fuel gas other than natural gas	500.00
3. Application to amend distribution authority, other than an amendment correcting a clerical or formal error (Act, s 55)	75.00
4. Application to renew distribution authority (Act, s 64)	nil
5. Application to transfer distribution authority (Act, s 68)	250.00
6. Application for approval of surrender of distribution authority (Act, s 73)	nil

SCHEDULE 1 (continued)

PART 2—RETAIL AUTHORITIES

	\$
1. Application for retail authority (Act, s 149)	250.00
2. Amount payable for each financial year during the term of a retail authority (Act, s 166)—	
(a) for a general retailer	2 500.00
(b) for an incumbent retailer	135 000.00
(c) for a retailer not mentioned in paragraph (a) or (b), for each retail area stated in the retail authority	1 000.00
3. Application to amend retail authority, other than an amendment correcting a clerical or formal error (Act, s 179)	75.00
4. Application to renew retail authority (Act, s 188)	nil
5. Application to transfer retail authority (Act, s 192) . .	250.00
6. Application for approval of surrender of retail authority (Act, s 197)	nil

PART 3—OTHER FEES

	\$
1. Late payment fee for a fee mentioned in part 1, item 2 or part 2, item 2 paid after the day on which payment is required under the authority (Act, s 323)	75.00
2. Application to amend new authority by imposing further conditions (Act, s 330)	75.00
3. Application to consolidate authorities (Act, s 333) . . .	175.00

SCHEDULE 2

DICTIONARY

section 3

“code” means the code of conduct called ‘Gas retail market business rules for consumers using at least 100 TJ per year’ made by the Minister on 30 April 2003.¹⁸

“covered transmission pipeline” means a transmission pipeline that is a covered pipeline.

“current user”, for a delivery point within a network section, means the network user identified, in the delivery point registry for the network, as the network user for whom fuel gas is supplied at the delivery point.

“delivery point”, within a network section, means a point, normally located at either of the following places, at which fuel gas is withdrawn from the section for supply to a contestable customer—

- (a) the entry point of an appliance located on the customer’s premises;
- (b) the exit point of a meter installed for the customer’s premises.

“delivery point information” see section 9(2).

“delivery point registry” see section 9(1).

“hourly metering equipment” means equipment that—

- (a) measures and records fuel gas consumed on an hourly basis; and
- (b) enables the measurements to be read at a place other than the place where the equipment is located.

18 Copies of the ‘Gas retail market business rules for consumers using at least 100 TJ per year’ are available for inspection at the department’s office at 100 George Street, Brisbane. The code is also available for inspection on the department’s website at www.energy.qld.gov.au.

SCHEDULE 2 (continued)

“incumbent retailer” means—

- (a) Energex Retail Pty Ltd ACN 078 848 549; or
- (b) Origin Energy Ltd ACN 000 051 696.

“market services agreement” means an agreement between a network operator and a user stating the terms on which the network operator provides services to the user that enable the user to do each of the following—

- (a) effectively and efficiently supply fuel gas, transported through a network with more than 1 user, to a contestable customer;
- (b) transfer a contestable customer to or from another user;
- (c) accurately charge a contestable customer for fuel gas consumed;
- (d) obtain accurate information about the quantities of fuel gas—
 - (i) transported through a network section for the user; and
 - (ii) supplied by 1 or more shippers to the section for the user.

“network” means a distribution system in which the distribution pipelines are covered pipelines.

“network operator”, for a network, means the person who operates the network.

“network section” means a contained section of a network—

- (a) into which fuel gas enters at a single entry point; and
- (b) from which fuel gas is withdrawn at 1 or more delivery points within the section.

“network user”, for a network, means a user who is a party to a market services agreement with the network operator.

“shipper” means a person contracted—

- (a) by the owner or operator of a transmission pipeline to transport fuel gas through the pipeline; and
- (b) to supply fuel gas for any of the following persons at the point at which fuel gas enters a network section—
 - (i) a network operator or a network user;

SCHEDULE 2 (continued)

- (ii) a person from whom the network operator or network user purchases fuel gas.

“user”, for a network, means a user within the meaning of the Gas Pipelines Access (Queensland) Law.

ENDNOTES

1. Made by the Governor in Council on 19 June 2003.
2. Notified in the gazette on 20 June 2003.
3. Laid before the Legislative Assembly on . . .
4. The administering agency is the Department of Innovation and Information Economy, Sport and Recreation Queensland.