



# National Gas (Queensland) Law

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## **Reprint note**

The National Gas Law is applied (with modifications) as a law of Queensland by the *National Gas (Queensland) Act 2008*. This version is the Law as it applies in Queensland—see the *National Gas (Queensland) Act 2008*, section 7. It is intended a new reprint of the National Law will be prepared by the Office of the Queensland Parliamentary Counsel when any change in the National Law takes effect.

National scheme legislation may not be entirely consistent with Queensland's current drafting style.

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## Queensland

# National Gas (Queensland) Law

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# National Gas (Queensland) Law

*Editor's note—*

The National Gas Law is applied (with modifications) as a law of Queensland by the *National Gas (Queensland) Act 2008*. This version is the Law as it applies in Queensland—see the *National Gas (Queensland) Act 2008*, section 7. It is intended a new reprint of the National Law will be prepared by the Office of the Queensland Parliamentary Counsel when any change in the National Law takes effect.

## Chapter 1 Preliminary

### Part 1 Citation and interpretation

#### 1 Short title

This law may be cited as the *National Gas (Queensland) Law*.

#### 2 Definitions

(1) In this Law—

**ACCC** means the Australian Competition and Consumer Commission established by section 6A of the *Competition and Consumer Act 2010* of the Commonwealth;

**access arrangement** means an arrangement setting out terms and conditions about access to pipeline services provided or to be provided by means of a scheme pipeline;

**access determination** means a determination of the relevant adjudicator for an access dispute under Chapter 5 Part 5 and includes a determination varied under Part 6 of that Chapter;

**access dispute** means a dispute between a user or prospective user and a service provider about 1 or more aspects of access

to a pipeline service provided by means of a pipeline and includes a matter that is deemed to be an access dispute under the Rules;

***adoptive jurisdiction*** means a participating jurisdiction for which AEMO is authorised to exercise its declared system functions or STTM functions;

***AEMC*** means the Australian Energy Market Commission established by section 5 of the *Australian Energy Market Commission Establishment Act 2004* of South Australia;

***AEMO amendments*** means—

- (a) the amendments to this Law made by the *National Gas (South Australia) (National Gas Law—Australian Energy Market Operator) Amendment Act 2009*; and
- (b) the amendments to the Rules made by the *National Gas (South Australia) (National Gas Rules—Australian Energy Market Operator) Amendment Rules 2009*; and
- (c) the Procedures first made under this Law after the enactment of the amendments referred to in paragraph (a);

***AER*** means the Australian Energy Regulator established by section 44AE of the *Competition and Consumer Act 2010* of the Commonwealth;

***AER Compliance Procedures and Guidelines*** has the meaning given by section 64F;

***AER economic regulatory decision*** means a decision (however described) of the AER under this Law or the Rules performing or exercising an AER economic regulatory function or power;

***AER economic regulatory function or power*** means a function or power performed or exercised by the AER under this Law or the Rules (other than making a rate of return instrument) that relates to the economic regulation of pipeline services provided by a service provider—

- (a) by means of; or

- 
- (b) in connection with,  
a pipeline and includes a function or power performed or exercised by the AER under this Law or the Rules (other than making a rate of return instrument) that relates to—
- (c) the preparation of a service provider performance report;
- (d) a ring fencing decision;
- (e) an applicable access arrangement decision;
- (f) an access determination (if the AER is the dispute resolution body);

*Note—*

The application of a rate of return instrument under this Law is an AER economic regulatory function or power. See section 30Q(2).

***AER gas price reporting functions*** means the functions of the AER performed under section 27(1)(fa);

***AER ring fencing determination*** means a determination of the AER under section 143(1);

***AER trial waiver functions*** means the functions conferred on the AER under Chapter 2 Part 1 Division 1B;

***annual turnover*** has the same meaning as in section 2(1) of Schedule 2 to the *Competition and Consumer Act 2010* of the Commonwealth;

***applicable access arrangement*** means an access arrangement that has taken effect after being approved or made by the AER under the Rules and includes an applicable access arrangement as varied—

- (a) under the Rules; or
- (b) by an access determination as provided by this Law or the Rules;

***applicable access arrangement decision*** means a decision of the AER under the Rules that—

- (a) approves or does not approve an access arrangement or revisions to an applicable access arrangement submitted to the AER under section 113 or the Rules; or
- (b) makes an access arrangement—
  - (i) in place of an access arrangement the AER does not approve in that decision; or
  - (ii) because a scheme pipeline service provider does not submit an access arrangement in accordance with section 113 or the Rules; or
- (c) makes revisions to an access arrangement—
  - (i) in place of revisions submitted to the AER under section 113 that the AER does not approve in that decision; or
  - (ii) because a scheme pipeline service provider does not submit revisions to the AER under section 113;

***application Act*** means an Act of a participating jurisdiction that applies, as a law of that jurisdiction, this Law or any part of this Law;

***approved associate contract*** means an associate contract approved by the AER under an associate contract decision;

***associate*** in relation to a person has the same meaning it would have under Division 2 of Part 1.2 of the *Corporations Act 2001* of the Commonwealth if sections 13, 16(2) and 17 did not form part of that Act;

***associate contract*** means—

- (a) a contract, arrangement or understanding between a service provider and an associate of the service provider in connection with the provision of an associate pipeline service; or
- (b) a contract, arrangement or understanding between a service provider and any person in connection with the provision of an associate pipeline service—
  - (i) that provides a direct or indirect benefit to an associate; and

(ii) that is not at arm's length;

**associate contract decision** means a decision of the AER under the Rules that approves or does not approve an associate contract for the purposes of Chapter 4 Part 2 Division 4;

**associate pipeline service** means a pipeline service provided by means of a pipeline other than a pipeline to which a greenfields incentive determination applies;

**Australian Energy Market Operator** or **AEMO** means Australian Energy Market Operator Limited (ACN 072 010 327);

**BB Procedures** means Procedures directed at regulating the Natural Gas Services Bulletin Board;

**Bulletin Board information** means information that—

- (a) a person gives to AEMO or the AER to comply with Chapter 7 (or any Rules under that Chapter); or
- (b) a person gives to AEMO in its capacity as operator of the Natural Gas Services Bulletin Board in circumstances expressly permitted by the Rules;

**capacity auction** means an auction conducted by AEMO through which a person may buy transportation capacity;

**capacity auction agreement** means an agreement that relates to participation in a capacity auction and to which AEMO and persons participating in the capacity auction are parties;

**capacity auction functions** of AEMO are set out in section 91BRM(1);

**capacity auction information** means information that—

- (a) a person gives to AEMO, to comply with section 91FEE(1); or
- (b) a person gives, in circumstances expressly required or permitted by the Procedures or Rules—
  - (i) to AEMO in its capacity as operator of a capacity auction in which the person participates; or

- (ii) to AEMO in its capacity as operator of a regulated gas market or a gas trading exchange if that information is to be used for the purpose of a capacity auction in which the person participates;

**capacity auction participant** means a person (other than AEMO) who is, or who was at the relevant time, a party to a capacity auction agreement;

**Capacity Transfer and Auction Procedures** means Procedures directed at the operation and administration of capacity auctions and transaction support arrangements;

**changeover date** means—

- (a) a date fixed by or under legislation of a participating jurisdiction for AEMO’s assumption of responsibility for the operation of a gas market in the relevant jurisdiction under this Law and the Rules; or
- (b) a date fixed by Ministerial Gazette notice as the changeover date;

*Note—*

The **changeover date** may vary from gas market to gas market, from provision to provision and from jurisdiction to jurisdiction. In addition, AEMO’s assumption of statutory functions in a particular participating jurisdiction may occur in stages on different changeover dates.

**charge**, in relation to a pipeline service, means the amount that is payable by a user to a service provider for the provision of the pipeline service to that user;

**civil monetary liability** means a liability for damages, compensation or any other monetary amount that can be recovered by way of civil proceedings but does not include a liability for a civil penalty or an infringement penalty under this Law or a liability for the costs of a proceeding;

**civil penalty**—see section 3A;

**civil penalty provision** has the meaning given by section 3;

**classification decision** means a decision of the AER under Chapter 3 Part 6 Division 1;

---

**commission**, in relation to a pipeline, has the meaning given by section 12;

**Commonwealth Minister** means the Minister of the Commonwealth administering the *Australian Energy Market Act 2004* of the Commonwealth;

**compression service facility** means—

- (a) a designated compression service facility; or
- (b) any other facility or part of a facility (whether or not forming part of another facility or located on or connected to another facility) for compressing natural gas other than—
  - (i) a facility operated as part of a gathering system operated as part of an upstream producing operation; or
  - (ii) anything downstream of a point on a pipeline from which a person takes natural gas for consumption purposes;

**compression service provider** means a person who owns, controls or operates a compression service facility;

**conduct provision** has the meaning given by section 4;

**constituent components**, in relation to a designated regulatory decision, means the matters that constitute the elements or components of the designated regulatory decision and on which that designated regulatory decision is based and includes—

- (a) matters that go to the making of the designated regulatory decision; and
- (b) decisions made by the AER for the purposes of the designated regulatory decision;

**declared distribution system** of an adoptive jurisdiction has the meaning given by the application Act of that jurisdiction;

**declared LNG storage provider** of an adoptive jurisdiction has the meaning given by the application Act of that jurisdiction;

***declared system functions***—AEMO’s declared system functions are as set out in section 91BA(1);

***declared system provisions*** means—

- (a) Chapter 2 Part 6 Division 2; and
- (b) the Rules regulating the declared wholesale gas market of an adoptive jurisdiction or otherwise relevant to Chapter 2 Part 6 Division 2;

***declared transmission system*** of an adoptive jurisdiction has the meaning given by the application Act of that jurisdiction;

***declared wholesale gas market*** means the wholesale market for natural gas defined in the application Act of an adoptive jurisdiction;

***designated compression service facility*** means a facility or part of a facility for compressing natural gas prescribed by the Regulations as a designated compression service facility;

***designated pipeline*** means a pipeline classified by the Regulations, or designated in the application Act of a participating jurisdiction, as a designated pipeline and includes an extension to, or expansion of the capacity of, the pipeline that is taken to be part of the pipeline under section 18;

*Note—*

A designated pipeline is a scheme pipeline. See the definition of *scheme pipeline*.

***designated regulatory decision*** means an applicable access arrangement decision (other than a decision that does not approve an access arrangement), or a decision prescribed by the Regulations to be a designated regulatory decision;

***developable capacity*** means the difference between the current capacity of a pipeline and the capacity of a pipeline which would be available if a new facility was constructed, but does not include any new capacity of a pipeline resulting from an extension to the geographic range of a pipeline;

***dispute resolution body*** means the AER;



*Note—*

In Western Australia, under the *National Gas Access (WA) Act 2009* of Western Australia, section 9, the dispute resolution body generally is the entity known as the Western Australian Energy Disputes Arbitrator.

***Dispute resolution panel*** means a person or panel of persons appointed under the Rules to hear and determine a rule dispute;

***distribution pipeline*** means a pipeline that—

- (a) is classified as a distribution pipeline under a licence or authorisation granted in relation to the pipeline under jurisdictional gas legislation; or
- (b) if the licence or authorisation mentioned in paragraph (a) does not include a classification of the pipeline—is classified by the AER as a distribution pipeline,

and includes a pipeline that is reclassified by the AER as a distribution pipeline;

*Note—*

See Chapter 3 Part 6 in relation to the classification and reclassification of pipelines. See also sections 18 and 19.

***distributor*** means, except where elsewhere defined in this Law, a service provider who owns, operates or controls a scheme pipeline that is a distribution pipeline;

***draft Rule determination*** means a determination of the AEMC under section 308;

***east coast gas system*** means the following, located wholly or partly within an east coast jurisdiction:

- (a) a natural gas industry facility;
- (b) a regulated gas market;
- (c) a gas trading exchange for which AEMO has established a gas trading exchange agreement;
- (d) a system, market or other thing specified by the Rules;

***east coast gas system direction***, for Part 6 Division 1A—see section 91AF(1);

***East Coast Gas System Procedures***, for Part 6 Division 1A—see section 91AD(1)(h);

***east coast gas system reliability and supply adequacy functions*** of AEMO are set out in section 91AD;

***east coast jurisdiction*** means a participating jurisdiction other than Western Australia;

***ECA amendments*** means the amendments to this Law made by the *Statutes Amendment (Energy Consumers Australia) Act 2014* of South Australia;

***end user*** means a person who acquires natural gas for consumption purposes, and includes a retail customer;

***Energy Consumers Australia*** or ***ECA*** means the company incorporated, or to be incorporated, by the name Energy Consumers Australia Limited;

***energy ombudsman*** has the same meaning as in the National Energy Retail Law;

***Energy Security Board*** means the Energy Security Board referred to in section 2(1) of the NEL;

***ERA*** means the Economic Regulation Authority established by section 4 of the *Economic Regulation Authority Act 2003* of Western Australia;

***excluded infrastructure***, in relation to a pipeline, means tanks, reservoirs, machinery, equipment or other infrastructure that forms part of the pipeline but is classified by the Rules as excluded infrastructure for the purposes of this Law;

***exempted participant*** means a person exempted from registration as a Registered participant;

***extension and expansion requirements*** means—

- (a) the requirements contained in an access arrangement that, in accordance with the Rules, specify—
  - (i) the circumstances when an extension to a scheme pipeline is to be treated as forming part of the scheme pipeline; and

- 
- (ii) whether the pipeline services provided or to be provided by means of, or in connection with, spare capacity arising out of an extension to a scheme pipeline will be subject to the applicable access arrangement applying to the pipeline services to which that arrangement applies; and
  - (iii) whether an extension to, or expansion of the capacity of, a scheme pipeline will affect a reference tariff and, if so, the effect on the reference tariff; and
- (b) any other requirements specified by the Rules as extension and expansion requirements;

*Note—*

See also sections 18 and 19.

***final Rule determination*** means a determination of the AEMC under section 311;

***foreign company*** has the same meaning as in the *Corporations Act 2001* of the Commonwealth;

***foreign source*** means—

- (a) source beyond the outer limits of all of the following:
  - (i) the adjacent area of this jurisdiction;
  - (ii) the adjacent area of another participating jurisdiction; or
- (b) a source within the joint petroleum development area (within the meaning of the *Petroleum (Timor Sea Treaty) Act 2003* of the Commonwealth);

***former gas market operator*** means any of the following:

- (a) VENCorp;
- (b) Gas Market Company Limited (ACN 095 400 258);
- (c) in relation to South Australia (but not Western Australia)—Retail Energy Market Company Limited (ACN 103 318 556);

(d) the gas retail market operator appointed under section 257A of the *Gas Supply Act 2003* (Qld);

***form of regulation factors*** has the meaning given by section 16;

***Gas Code*** means the *National Third Party Access Code for Natural Gas Pipeline Systems* set out in Schedule 2 to the *Gas Pipelines Access (South Australia) Act 1997* of South Australia as in force from time to time before the commencement of section 20 of the *National Gas (South Australia) Act 2008* of South Australia;

***gas powered generator*** means the owner, controller or operator of a generating system, within the meaning of the National Electricity Rules, that is powered by natural gas;

***gas statement of opportunities*** means the statement published under Chapter 2 Part 6 Division 4;

***gas trading exchange*** means a facility through which persons may elect to buy and sell natural gas or related goods or services, including pipeline capacity;

***gas trading exchange agreement*** means an agreement that relates to participation in, and the operation and administration of, a gas trading exchange established by AEMO to which AEMO (or a person appointed by AEMO to operate the gas trading exchange), and a person who becomes a member of the exchange, are parties;

***gas trading exchange functions***—AEMO’s gas trading exchange functions are as set out in section 91BRK;

***gas trading exchange member*** means a person who is (or who was at the relevant time) a member of a gas trading exchange under a gas trading exchange agreement;

***general market information order*** means an order under section 91F(1)(a) requiring information from persons of a class specified in the order;

***general regulatory information order*** has the meaning given by section 45;

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***greenfields incentive determination*** has the meaning given by section 100;

***greenfields pipeline project*** means a project for the construction of—

- (a) a pipeline that is to be structurally separate from any existing pipeline; or
- (b) a major extension to an existing pipeline;

***greenfields price protection determination*** has the meaning given by section 109;

***GSOO information*** means information that—

- (a) a person gives to AEMO to comply with section 91DB; or
- (b) a person gives to AEMO for the preparation of the gas statement of opportunities in circumstances expressly permitted by the Rules;

***GSOO Procedures*** means Procedures directed at regulating the collection of information for the gas statement of opportunities;

***GTE amendments*** means the amendments to this Law made by the *National Gas (South Australia) (Gas Trading Exchanges) Amendment Act 2013*;

***haulage***, in relation to natural gas, includes conveyance or reticulation of natural gas;

***initial National Gas Procedures*** means National Gas Procedures made under section 294A and includes Wholesale Market Procedures and BB Procedures in force immediately before the commencement of the *National Gas (South Australia) (National Gas Law—Australian Energy Market Operator) Amendment Act 2009*;

***initial National Gas Rules*** means the Initial National Gas Rules made under Chapter 9 Part 2;

***initial Operational Transportation Service Code*** means the Operational Transportation Service Code made under section 294DA;

*innovative trial principles*—see section 24A;

*jurisdictional gas legislation* means an Act of a participating jurisdiction (other than national gas legislation), or any instrument made or issued under or for the purposes of that Act, that regulates the haulage of gas in that jurisdiction;

*jurisdictional regulator* means—

- (a) for New South Wales—the Independent Pricing and Regulatory Tribunal of New South Wales established by section 5(1) of the *Independent Pricing and Regulatory Tribunal Act 1992* of New South Wales;
- (b) for Victoria—the Essential Services Commission established by section 7(1) of the *Essential Services Commission Act 2001* of Victoria;
- (c) for Queensland—the Queensland Competition Authority established by section 7 of the *Queensland Competition Authority Act 1997* of Queensland;
- (d) for South Australia—the Essential Services Commission established by section 4(1) of the *Essential Services Commission Act 2002* of South Australia;
- (e) for Tasmania—the Director of Gas appointed under section 7 of the *Gas Act 2000* of Tasmania;
- (f) for the Australian Capital Territory—the Independent Competition and Regulatory Commission for the Australian Capital Territory established by section 5(1) of the *Independent Competition and Regulatory Commission Act 1997* of the Australian Capital Territory;
- (g) any other person or body—
  - (i) to which the functions of the jurisdictional regulator for a participating jurisdiction are assigned by or under an Act of the participating jurisdiction; or
  - (ii) that is prescribed by the Regulations as jurisdictional regulator of a participating jurisdiction;

***listed corporation*** has the meaning given by section 9 of the *Corporations Act 2001* of the Commonwealth;

***LNG facility*** means a facility for the processing of natural gas from a gaseous to a liquefied state or from a liquefied to a gaseous state;

***LNG service provider*** means a person who owns, controls or operates an LNG facility;

***market information instrument*** means a general market information order or a market information notice;

***market information notice*** means a notice under section 91F(1)(b) requiring information from the person to whom the notice is addressed;

***market operator service*** means a service classified under the Rules as a market operator service;

***MCE*** means the group of Ministers (constituting or forming part of a Ministerial Council, Standing Council of Ministers or similar body (however described)) responsible for energy matters at a national level comprising 9 Ministers as follows:

- (a) 1 Minister from the Commonwealth;
  - (b) 1 Minister from each State (totalling 6 Ministers);
  - (c) 1 Minister from each Territory (totalling 2 Ministers),
- acting in accordance with its own procedures;

***MCE directed review*** means a review conducted by the AEMC under Chapter 2 Part 2 Division 4;

***MCE statement of policy principles*** means a statement of policy principles issued by the MCE under section 25;

***minimum ring fencing requirement*** means a requirement under Chapter 4 Part 2 Division 2;

***Ministerial Gazette notice*** means a notice in the South Australian Government Gazette published by the South Australian Minister on the recommendation of the MCE;

***Minister of a participating jurisdiction*** means a Minister who is a Minister of a participating jurisdiction within the meaning of section 22;

***National Electricity Law*** means the National Electricity Law set out in the Schedule to the *National Electricity (South Australia) Act 1996* of South Australia;

***National Electricity Rules*** has the same meaning as in the National Electricity Law;

***National Energy Retail Law*** means the National Energy Retail Law set out in the Schedule to the *National Energy Retail Law (South Australia) Act 2011* of South Australia;

***National Energy Retail Rules*** has the same meaning as in the National Electricity Law;

***national gas legislation*** means—

- (a) the *National Gas (South Australia) Act 2008* of South Australia and Regulations in force under that Act; and
- (b) the National Gas (South Australia) Law; and
- (c) the *National Gas Access (WA) Act 2009* of Western Australia; and
- (d) the National Gas Access (Western Australia) Law within the meaning given in the *National Gas Access (WA) Act 2009* of Western Australia; and
- (e) Regulations made under the *National Gas Access (WA) Act 2009* of Western Australia for the purposes of the National Gas Access (Western Australia) Law; and
- (f) an Act of a participating jurisdiction (other than South Australia or Western Australia) that applies, as a law of that jurisdiction, any part of—
  - (i) the Regulations referred to in paragraph (a); or
  - (ii) the National Gas Law set out in the Schedule to the *National Gas (South Australia) Act 2008* of South Australia; and



- 
- (g) the National Gas Law set out in the Schedule to the *National Gas (South Australia) Act 2008* of South Australia as applied as a law of a participating jurisdiction (other than South Australia or Western Australia); and
  - (h) the Regulations referred to in paragraph (a) as applied as a law of a participating jurisdiction (other than South Australia or Western Australia);

***national gas objective*** means the objective set out in section 23;

***National Gas Procedures*** or ***Procedures*** means—

- (a) the initial National Gas Procedures; and
- (b) Procedures made by AEMO under this Law, including Procedures that amend or revoke the initial National Gas Procedures or Procedures earlier made by AEMO;

***National Gas Rules*** or ***Rules*** means—

- (a) the initial National Gas Rules; and
- (ab) Rules made under Chapter 9 Part 2 Division 2; and
- (b) Rules made by the AEMC under this Law, including Rules that amend or revoke—
  - (i) the initial National Gas Rules or Rules made under Chapter 9 Part 2 Division 2; or
  - (ii) Rules made by it;

***natural gas*** means a substance that—

- (a) is in a gaseous state at standard temperature and pressure; and
- (b) consists of naturally occurring hydrocarbons, or a naturally occurring mixture of hydrocarbons and non-hydrocarbons, the principal constituent of which is methane; and
- (c) is suitable for consumption;

***natural gas industry*** includes—

- (a) activities and transactions relating to—
  - (i) processable gas; or
  - (ii) natural gas (including liquefied natural gas) and natural gas services; or
  - (iii) natural gas industry facilities; or
  - (iv) services provided by means of natural gas industry facilities; and
- (b) activities and transactions relating to petroleum tenements; and
- (c) any other activities or transactions specified by the Regulations for the purposes of this paragraph;

***natural gas industry facility*** means—

- (a) a pipeline; or
- (b) a compression service facility; or
- (c) a gas processing plant; or
- (d) an LNG facility; or
- (e) a storage facility; or
- (f) a user facility; or
- (g) another facility of a type specified by the Regulations for the purposes of this paragraph;

***natural gas service*** means—

- (a) a pipeline service; or
- (b) the supply of natural gas; or
- (c) a service ancillary to the service described in paragraph (b);

***Natural Gas Services Bulletin Board*** means the website maintained by AEMO that contains information of the kind specified in the Rules in relation to the natural gas industry;

***new facility*** means an extension to, or expansion of the capacity of, a pipeline which is to be treated as part of the pipeline—

- 
- (a) in accordance with the extension and expansion requirements contained in an applicable access arrangement applying to the pipeline services provided by means of that pipeline; or
- (b) under this Law;

*Note—*

See also sections 18 and 19.

***non-scheme pipeline*** means a pipeline other than a scheme pipeline;

***non-scheme pipeline access dispute*** means an access dispute that involves a non-scheme pipeline;

***offence provision*** means a provision of this Law the breach or contravention of which by a person exposes that person to a finding of guilt by a court;

***officer*** has the same meaning as officer has in relation to a corporation under section 9 of the *Corporations Act 2001* of the Commonwealth;

***old access law*** means Schedule 1 to the *Gas Pipelines Access (South Australia) Act 1997* of South Australia as in force from time to time before the commencement of section 20 of the *National Gas (South Australia) Act 2008* of South Australia;

***old scheme classification or determination*** means a classification or determination under section 10 or 11 of the old access law in force at any time before the repeal of the old access law;

***old scheme distribution pipeline*** means a pipeline that was, at any time before the repeal of the old access law—

- (a) a distribution pipeline as defined in that law; and
- (b) a covered pipeline as defined in the Gas Code;

***old scheme transmission pipeline*** means a pipeline that was, at any time before the repeal of the old access law—

- (a) a transmission pipeline as defined in that law; and
- (b) a covered pipeline as defined in the Gas Code;

***operational transportation service*** means—

- (a) a transportation service that is provided under an operational transportation service agreement using transferred transportation capacity; and
- (b) a service ancillary to the provision of a service referred to in paragraph (a);

***operational transportation service agreement*** means an agreement between a transportation service provider and a transportation facility user that provides for—

- (a) the transportation facility user to receive a transfer of transportation capacity acquired through any of the following means—
  - (i) a capacity auction; or
  - (ii) a gas trading exchange; or
  - (iii) any other means provided for in the agreement; and
- (b) the terms and conditions applicable to the use of that transportation capacity;

***Operational Transportation Service Code*** has the meaning given by section 228H;

***operative period***, for a greenfields incentive determination, has the meaning given by section 102(2);

***participating jurisdiction*** means a jurisdiction that is a participating jurisdiction by reason of section 21;

***petroleum*** includes any naturally occurring hydrocarbon, mixture of hydrocarbons or mixture of hydrocarbons and non-hydrocarbons, whether in gaseous, liquid or solid state;

***petroleum tenement*** means a right granted under law to explore for, extract, recover or process petroleum;

***pipeline*** means—

- (a) a pipe or system of pipes for the haulage of natural gas, and any tanks, reservoirs, machinery or equipment directly attached to that pipe or system of pipes; or

- 
- (b) a proposed pipe or system of pipes for the haulage of natural gas, and any proposed tanks, reservoirs, machinery or equipment proposed to be directly attached to the proposed pipe or system of pipes; or
  - (c) a part of a pipe or system of pipes or proposed pipe or system of pipes referred to in paragraph (a) or (b),  
but does not include—
    - (d) unless paragraph (e) applies, anything upstream of a prescribed exit flange on a pipeline conveying natural gas from a prescribed gas processing plant; or
    - (e) if a connection point upstream of an exit flange on such a pipeline is prescribed, anything upstream of that point; or
    - (f) a gathering system operated as part of an upstream producing operation; or
    - (g) any tanks, reservoirs, machinery or equipment used to remove or add components to or change natural gas (other than odourisation facilities) such as a gas processing plant; or
    - (h) anything downstream of a point on a pipeline from which a person takes natural gas for consumption purposes;

*Note—*

See also sections 18 and 19.

***pipeline capacity right*** means a right under a contract with a service provider to be provided with a pipeline service, by means of a pipeline, for a given quantity of natural gas over a given period of time;

***pipeline classification criterion*** has the meaning given by section 13;

***pipeline interconnection principles*** has the meaning given by section 136;

***pipeline reliability standard*** means a standard imposed by or under an Act of a participating jurisdiction, or any instrument

made or issued under or for the purposes of that Act, relating to the reliable haulage of natural gas in that jurisdiction;

***pipeline safety duty*** means a duty or requirement under an Act of a participating jurisdiction, or any instrument made or issued under or for the purposes of that Act, relating to—

- (a) the safe haulage of natural gas in that jurisdiction; or
- (b) the safe operation of a pipeline in that jurisdiction;

***pipeline service*** means—

- (a) service provided by means of a pipeline, including—
  - (i) a haulage service (such as firm haulage, interruptible haulage, spot haulage and backhaul); and
  - (ii) a service providing for, or facilitating, the interconnection of pipelines; or
- (b) a service ancillary to the provision of a service referred to in paragraph (a),

but does not include the production, sale or purchase of natural gas or processable gas;

***pipeline service standard*** means a standard relating to the standard of the pipeline services provided by a service provider by means of a covered pipeline imposed—

- (a) by or under jurisdictional gas legislation; or
- (b) by the AER—
  - (i) under an access arrangement decision; or
  - (ii) in accordance with the Rules;

***prescribed transparency information*** has the meaning given by section 136C;

***price information order*** has the meaning given by section 46A;

***processable gas*** means a substance that—

- 
- (a) is in a gaseous state at standard temperature and pressure; and
  - (b) consists of naturally occurring hydrocarbons, or a naturally occurring mixture of hydrocarbons and non-hydrocarbons, the principal constituent of which is methane;

**producer** means a person who carries on a business of producing natural gas;

**prospective user** has the meaning given by section 5;

**protected information** has the meaning given by section 91G;

**queuing requirements** means terms and conditions providing for the priority that a prospective user has, as against any other prospective user, to obtain access to spare capacity and developable capacity;

**rate of return instrument**—see section 30D(2);

**reclassification decision** means a decision of the AER under Chapter 3 Part 6 Division 2;

**reference service** means a pipeline service specified by, or determined or approved by the AER under, the Rules as a reference service;

**reference tariff** means a tariff or charge for a reference service—

- (a) specified in an applicable access arrangement approved or made under an access arrangement decision; or
- (b) determined by applying the formula or methodology contained in an applicable access arrangement approved or made under an access arrangement decision;

**Registered participant** means a person registered as such by AEMO under this Law (section 91BJ, section 91BRD or section 91LB) and the Rules, but does not include a transportation service provider registered under section 91BRR;

**regulated gas market** means—

- (a) a declared wholesale gas market; or
- (ab) a short term trading market; or
- (b) a regulated retail gas market;

**regulated retail gas market** has the meaning given by section 91L(2);

**Regulations** means the regulations made under Part 3 of the *National Gas (South Australia) Act 2008* of South Australia that apply as a law of this jurisdiction;

**regulatory information instrument** means—

- (a) a general regulatory information order; or
- (b) a regulatory information notice;
- (c) a price information order;

**regulatory information notice** has the meaning given by section 46;

**regulatory obligation or requirement** has the meaning given by section 6;

**regulatory payment** has the meaning given by section 7;

**relevant entity**, for Part 6 Division 1A—see section 91AF(8);

**relevant adjudicator** means—

- (a) for a scheme pipeline access dispute—the dispute resolution body; or
- (b) for a non-scheme pipeline access dispute—the arbitrator for the dispute;

**relevant Regulator** has the same meaning as in section 2 of the old access law;

**REMCo** means the Retail Energy Market Company Limited (ACN 103 318 556);

**retail customer** means a person to whom natural gas is sold for premises by a retailer.



**retailer** means a person who is the holder of a retailer authorisation issued under the National Energy Retail Law in respect of the sale of gas;

**retail gas market** has the meaning given by section 91L(1);

**Retail Market Procedures** means Procedures directed at regulating a retail gas market;

**revenue and pricing principles**, in relation to a pipeline service provided by means of a scheme pipeline, means the principles set out in section 24;

**ring fencing decision** means—

- (a) an AER ring fencing determination; or
- (b) a decision granting or not granting an exemption under Rules made under section 148A; or
- (c) an associate contract decision;

**rule dispute** means a dispute for the resolution of which provision is made in the Rules;

**scheme pipeline** means—

- (a) a pipeline to which a scheme pipeline determination applies; or
- (b) a designated pipeline; or
- (c) a pipeline in respect of which a scheme pipeline election takes effect;

*Note—*

However, see section 99 in relation to when a pipeline the subject of a scheme pipeline revocation determination ceases to be a scheme pipeline.

**scheme pipeline access dispute** means an access dispute that involves a scheme pipeline;

**scheme pipeline determination** has the meaning given by section 92(1);

**scheme pipeline election** has the meaning given by section 95;

***scheme pipeline revocation determination*** means a determination made under section 97(1);

***scheme pipeline service provider*** means a service provider who provides or intends to provide pipeline services by means of a scheme pipeline;

***service provider*** has the meaning given by section 8;

***service provider performance report*** means a report prepared by the AER under section 64;

***short term trading market*** means a market for the supply of natural gas that—

- (a) operates in an adoptive jurisdiction; and
- (b) is defined in a Rule made for the purposes of Chapter 2 Part 6 Division 2A to be a short term trading market of that adoptive jurisdiction;

*Note—*

There may be more than 1 short term trading market of an adoptive jurisdiction.

***small shipper*** has the meaning given by section 8AB;

***South Australian Minister*** means the Minister of the Crown in right of South Australia administering Part 2 of the *National Gas (South Australia) Act 2008* of South Australia;

***spare capacity*** means unutilised capacity of a pipeline;

***standard gas day*** means the 24 hour period starting at the time specified in the standard market timetable;

***standard market timetable*** means the standard market timetable provided for in the Rules in accordance with section 83B;

***standard OTSA*** means an operational transportation service agreement within the meaning of section 228B as amended from time to time;

***statutory functions***, in relation to AEMO, means functions or powers conferred under—

- (a) this Law, the Rules or the Procedures; or

- 
- (b) the National Electricity Law or the National Electricity Rules;

**storage facility** means a facility for storing processable gas or natural gas (including liquefied natural gas) before or after processing;

**storage provider** means any person who owns, controls or operates a storage facility;

**STTM amendments** means—

- (a) the amendments to this Law made by the *National Gas (South Australia) (Short Term Trading Market) Amendment Act 2009* of South Australia; and
- (b) the amendments to the Rules made under section 294B; and
- (c) the STTM Procedures first made under this Law after the enactment of the amendments referred to in paragraph (a);

**STTM functions**—AEMO’s STTM functions are as set out in section 91BRB;

**STTM hub** means a point or points, situated in an adoptive jurisdiction, specified in the Rules or STTM Procedures, at which a short term trading market operates;

**STTM information** means information that—

- (a) a person gives to AEMO, to comply with section 91FEA(1); or
- (b) a person gives, in circumstances expressly required or permitted by the Procedures or Rules—
- (i) to AEMO in its capacity as operator of a short term trading market in which the person participates;
- (ii) to AEMO in its capacity as operator of another regulated gas market if that information is to be used for the purpose of a short term trading market in which the person participates;

***STTM Procedures*** means Procedures directed at regulating a short term trading market;

***STTM trading participant*** means a person referred to in section 91BRC;

***superseded jurisdictional rules*** means—

- (a) legislation (including subordinate legislation) of a participating jurisdiction regulating the gas industry in that jurisdiction that—
  - (i) was in force immediately before the relevant changeover date; and
  - (ii) is superseded by the AEMO amendments; and
- (b) rules to which a member of a corporate former gas market operator was subject, immediately before the relevant changeover date, under the constitution of the former gas market operator; and
- (c) a licence condition governing the activities of the licensee in, or in relation to, a regulated retail gas market in a participating jurisdiction—
  - (i) in force immediately before the relevant changeover date; and
  - (ii) superseded by the AEMO amendments; and
- (d) a guideline, code, standard or other instrument governing the operation or regulation of a gas market in a participating jurisdiction—
  - (i) made or issued by the jurisdictional regulator; and
  - (ii) in force immediately before the relevant changeover date; and
  - (iii) superseded by the AEMO amendments;

*Examples—*

- 1 The *Gas Market Retail Rules* (Vic) and the *Gas Industry Market and System Operation Rules* (Vic).
- 2 The *Gas Retail Market Business Rules to Support Retail Competition in Gas* (NSW).

3 The *Gas Market Retail Rules* (Qld).

4 The *Retail Market Rules* (SA).

**supply** includes—

- (a) in relation to goods—supply (including re-supply) by way of sale, exchange, lease, hire or hire purchase; and
- (b) in relation to services—provide, grant or confer;

**tariff** means a rate by which a charge for a pipeline service is calculated;

**Territory** means the Australian Capital Territory or the Northern Territory;

**trader** means a person who—

- (a) buys or sells natural gas; and
- (b) in doing so is not acting in some other registrable capacity; and
- (c) where the person is the purchaser of natural gas, is not buying the natural gas for the purchaser's own use;

**transaction support arrangements** means arrangements to facilitate transactions with respect to transportation capacity and related goods and services concluded or to be concluded through a gas trading exchange or a capacity auction;

**transfer**, in relation to transportation capacity, includes a reduction in a person's right to the transportation capacity and a corresponding increase in another person's right to transportation capacity, whether or not on the same terms and conditions;

**transmission pipeline** means a pipeline that—

- (a) is classified as a transmission pipeline under a licence or authorisation granted in relation to the pipeline under jurisdictional gas legislation; or
- (b) if the licence or authorisation mentioned in paragraph (a) does not include a classification of the pipeline—is classified by the AER as a transmission pipeline,

and includes a pipeline that is reclassified by the AER as a transmission pipeline;

*Note—*

See Chapter 3 Part 6 in relation to the classification and reclassification of pipelines. See also sections 18 and 19.

***transportation capacity*** means a right under a contract with a transportation service provider to be provided with a transportation service by means of a transportation facility, for a given quantity of natural gas over a given period of time;

***transportation facility*** means—

- (a) a pipeline; or
- (b) a compression service facility; or
- (c) another facility of a type specified by the Regulations for the purposes of this paragraph;

***transportation facility user*** means a person who is a party to a contract with a transportation service provider under which the transportation service provider provides, or intends to provide, a transportation service to that person by means of a transportation facility and includes a user;

***transportation service*** means—

- (a) a pipeline service; or
- (b) a service provided by means of a compression service facility; or
- (c) a service provided by means of any other facility of a type specified by the Regulations for the purposes of paragraph (c) of the definition of ***transportation facility***;

***transportation service provider*** means a person who owns, controls or operates a transportation facility;

***trial project*** means a project—

- (a) that—
  - (i) the AER is satisfied is genuinely innovative taking into account the innovative trial principles (in relation to a trial waiver for a trial project); or

- (ii) the AEMC is satisfied is genuinely innovative taking into account the innovative trial principles (in relation to a trial Rule for the purposes of a trial project); and

(b) tests an approach in relation to natural gas services;

**trial Rule**—see section 290;

**trial waiver**—see section 30W;

**Tribunal** means the Australian Competition Tribunal referred to in the *Competition and Consumer Act 2010* of the Commonwealth and includes a member of the Tribunal or a Division of the Tribunal performing functions of the Tribunal;

**user** means a person who—

- (a) is a party to a contract with a service provider under which the service provider provides or intends to provide a pipeline service to that person by means of a pipeline; or
- (b) has a right under an access determination to be provided with a pipeline service by means of a pipeline;

**user facility** means a facility by means of which natural gas is consumed (including by transformation of the gas into a new form) and which is not any other form of natural gas industry facility;

**VENCorp** means the Victorian Energy Networks Corporation continued under Part 8 of the *Gas Industry Act 2001* of Victoria until the AEMO amendments come into force;

**Wholesale Market Procedures** means Procedures directed at regulating the declared wholesale gas market of an adoptive jurisdiction.

- (2) A reference in this Law to an end user includes a reference to a prospective end user.
- (3) A reference in this Law to the east coast gas system includes a reference to part of the east coast gas system.

### 3 Meaning of civil penalty provision

A civil penalty provision is—

- (a) a provision of this Law specified in an item in the Table at the foot of this section; or
- (b) a provision of this Law (other than an offence provision) or the Rules that is prescribed by the Regulations to be a civil penalty provision; or
- (c) a declared system provision that is prescribed by or under the application Act of the adoptive jurisdiction to be a civil penalty provision.

**Table**

<b>Item</b>	<b>Provision</b>
1	Section 56
2	Section 57
2A	Section 91BE(1)
2B	Section 91BF(1)
2C	Section 91BJ(1)
2D	Section 91BN(5)
2DA	Section 91BRD(1)
2DB	Section 91BRJ(5)
2DC	Section 91FC(3) and (4)
2E	Section 91FEA
2F	Section 91LB(1)
2G	Section 91MB(6)
3	Section 131
4	Section 133



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<b>Item</b>	<b>Provision</b>
6	Section 135
7	Section 136
8	Section 139
9	Section 140
10	Section 141
11	Section 143(6)
12	Section 147
13	Section 148
18	Section 223
19	Section 225

### **3A Civil penalty amounts for breaches of civil penalty provisions**

- (1) Subject to this section, the civil penalty for a breach of a civil penalty provision is—
  - (a) in the case of a breach of a civil penalty provision, other than a provision prescribed under paragraph (b) or (c)—
    - (i) if the breach is by a natural person—
      - (A) an amount not exceeding \$33 900; plus
      - (B) an amount not exceeding \$3 390 for every day during which the breach continues;
    - (ii) if the breach is by a body corporate—
      - (A) an amount not exceeding \$170 000; plus
      - (B) an amount not exceeding \$17 000 for every day during which the breach continues; or

- (b) in the case of a breach of a civil penalty provision prescribed by the Regulations for the purposes of this paragraph—
  - (i) if the breach is by a natural person—
    - (A) an amount not exceeding \$287 000; plus
    - (B) an amount not exceeding \$14 400 for every day during which the breach continues;
  - (ii) if the breach is by a body corporate—
    - (A) an amount not exceeding \$1 435 000; plus
    - (B) an amount not exceeding \$71 800 for every day during which the breach continues; or
- (c) in the case a breach of a civil penalty provision prescribed by the Regulations for the purposes of this paragraph—
  - (i) if the breach is by a natural person—an amount not exceeding \$500 000;
  - (ii) if the breach is by a body corporate—an amount not exceeding the greater of the following:
    - (A) \$10 000 000;
    - (B) if the Court can determine the value of any benefit reasonably attributable to the breach of the civil penalty provision that the body corporate, and any body corporate related to the body corporate, has obtained, directly or indirectly—3 times the value of that benefit;
    - (C) if the Court cannot determine the value of the benefit—10% of the annual turnover of the body corporate during the 12-month period ending at the end of the month in which the body corporate breached, or began breaching, the civil penalty provision.

*Note—*

See Schedule 2 clause 47A, which provides for the amounts specified in this subsection to be adjusted every 3 years to reflect movements in

the consumer price index. The adjusted amounts are published on the AER's website.

- (2) Subsection (1)(c)(ii)(B) or (C) will only apply in a particular case if the AER, in applying for an order under section 231(2)(a), requests that those provisions be applied in that particular case.

#### **4 Meaning of conduct provision**

A conduct provision is—

- (a) a provision of this Law specified in an item in the Table at the foot of this section; or
- (b) a provision of this Law (other than an offence provision) or the Rules that is prescribed by the Regulations to be a conduct provision; or
- (c) a declared system provision that is prescribed by or under the application Act of the adoptive jurisdiction to be a conduct provision.

**Table**

<b>Item</b>	<b>Provision</b>
A1	Section 91BP
A2	Section 91BRF
A3	Section 91BRG
1	Section 133
3	Section 135
4	Section 136
5	Section 147
6	Section 148

## **5 Meaning of prospective user**

- (1) A prospective user is a person who seeks or wishes to be provided with a pipeline service by means of a pipeline.
- (2) To avoid doubt, a user is also a prospective user if the user seeks or wishes to be provided with a pipeline service by means of a pipeline other than a pipeline service already provided to them under—
  - (a) a contract; or
  - (b) an access determination.

## **6 Meaning of regulatory obligation or requirement**

- (1) A regulatory obligation or requirement is—
  - (a) in relation to the provision of a pipeline service by a service provider—
    - (i) a pipeline safety duty; or
    - (ii) a pipeline reliability standard; or
    - (iii) a pipeline service standard; or
  - (b) an obligation or requirement under—
    - (i) this Law or the Rules; or
    - (ia) the National Energy Retail Law or the National Energy Retail Rules; or
    - (ii) an Act of a participating jurisdiction, or any instrument made or issued under or for the purposes of that Act, that levies or imposes a tax or other levy that is payable by a service provider; or
    - (iii) an Act of a participating jurisdiction, or any instrument made or issued under or for the purposes of that Act, that regulates the use of land in a participating jurisdiction by a service provider; or
    - (iv) an Act of a participating jurisdiction or any instrument made or issued under or for the

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purposes of that Act that relates to the protection of the environment; or

- (v) an Act of a participating jurisdiction, or any instrument made or issued under or for the purposes of that Act (other than national gas legislation or an Act of a participating jurisdiction or an Act or instrument referred to in subparagraphs (ii) to (iv)), that materially affects the provision, by a service provider, of pipeline services to which an applicable access arrangement applies.
- (2) A regulatory obligation or requirement does not include an obligation or requirement to pay a fine, penalty or compensation—
- (a) for a breach of—
    - (i) a pipeline safety duty; or
    - (ii) a pipeline reliability standard; or
    - (iii) a pipeline service standard; or
  - (b) under this Law or the Rules, the National Energy Retail Law or the National Energy Retail Rules<sup>1</sup> or an Act or an instrument referred to in subsection (1)(b)(ii) to (v).

*Notes—*

- 1 See also section 24(2)(b).
- 2 The RoLR cost recovery scheme is dealt with under Part 6 of the National Energy Retail Law.

## **7 Meaning of regulatory payment**

A regulatory payment is a sum that a service provider had been required or allowed to pay to a user or an end user for a breach of, as the case requires—

- (a) a pipeline reliability standard; or
- (b) a pipeline service standard,

because it was efficient for the service provider (in terms of the service provider's overall business) to pay that sum.

*Note—*

See also section 24(2)(b).

## **8 Meaning of service provider**

- (1) A service provider is a person who—
- (a) owns, controls or operates; or
  - (b) intends to own, control or operate, a pipeline or any part of a pipeline.

*Note—*

A service provider must not provide a pipeline service by means of a pipeline unless the service provider is a legal entity of a specified kind: see section 131.

- (2) If AEMO controls or operates (without at the same time owning) a pipeline or any part of a pipeline, AEMO is not for that reason to be taken to be a service provider for the purposes of this Law.

## **8AA Meaning of transportation service provider**

If AEMO controls or operates (without at the same time owning) a compression service facility or another facility of a type prescribed by the Regulations for the purposes of paragraph (c) of the definition of *transportation facility* in section 2, AEMO is not for that reason to be taken to be a transportation service provider for the purposes of this Law.

## **8AB Meaning of small shipper**

- (1) A small shipper is a user or prospective user—
- (a) who is, or seeks to be, a party to a contract with a service provider for the provision of a pipeline service by means of a pipeline; and

- 
- (b) for whom the total daily pipeline capacity right provided, or sought to be provided, under 1 or more contracts with the same service provider and by means of the same pipeline is not more than—
- (i) the daily pipeline capacity right prescribed for this definition by the Regulations; or
  - (ii) if no daily pipeline capacity right is prescribed by the Regulations, the lesser of the following amounts:
    - (A) 5 terajoules per day;
    - (B) 20% of the pipeline's nameplate rating.
- (2) However, a small shipper does not include a corporation with a market capitalisation of more than \$500 000 000 or a related body corporate of the corporation.

*Note—*

See also section 19A in relation to related bodies corporate.

- (3) In this section—
- nameplate rating***, in relation to a pipeline, means the maximum daily capacity of the pipeline under normal operating conditions.

## **8A Nominated distributors**

- (1) The regulations under the application Act of a participating jurisdiction (a ***local regulation***) may—
- (a) nominate an entity, being an entity that is licensed or otherwise authorised under the jurisdictional gas legislation of that jurisdiction to operate a distribution pipeline that is not a scheme pipeline, as an entity to which this section applies (the ***nominated distributor***); and
  - (b) apply to the nominated distributor specified provisions of the Rules that relate to the following matters:
    - (i) the connection of premises of retail customers;

- (ii) retail support obligations between distributors and retailers;
  - (iii) credit support arrangements between distributors and retailers.
- (2) The application of any such specified provisions of the Rules to the nominated distributor is subject to such modifications as may be specified in the local regulation.
- (3) The nominated distributor—
  - (a) must comply with the Rules to the extent that the Rules are applied by the local regulation to the nominated distributor; and
  - (b) may, to the extent that the Rules apply to the nominated distributor, be proceeded against under this Law for any breach of those Rules.
- (4) A nomination of an entity by a local regulation may be made for—
  - (a) the whole or a specified part of the geographical area of a jurisdiction; or
  - (b) the whole or a specified part of the distribution pipeline that is operated by the entity,or for both.
- (5) The Minister responsible for administering the application Act (other than the application Act of South Australia) under which a local regulation referred to in this section is made is to make arrangements for notice of the making and publication of the regulation to be published for information in the South Australian Government Gazette.

## **9 Passive owners of pipelines deemed to provide or intend to provide pipeline services**

- (1) This section applies to a person who owns a pipeline but does not provide or intend to provide pipeline services by means of that pipeline.



- 
- (2) The person is, for the purposes of this Law, deemed to provide or intend to provide pipeline services by means of that pipeline even if the person does not, in fact, do so.

## 10 Things done by 1 service provider to be treated as being done by all of service provider group

- (1) This section applies if—
- (a) more than 1 person (a *group*) carries out a controlling facility activity in respect of a natural gas industry facility (or part of a natural gas industry facility); and
  - (b) under this Law or the Rules a person who carries out a controlling facility activity in respect of the facility (or part of the facility) mentioned in paragraph (a) is required or allowed to do a thing.
- (2) A member of the group (the *complying member*) may do that thing on behalf of the other members of the group if the complying member has the written permission of all of the members of that group to do that thing on behalf of the group.
- (3) Unless this Law or the Rules otherwise provide, on the doing of a thing referred to in subsection (2) by a complying member, the members of the group on whose behalf the complying member does that thing must, for the purposes of this Law and the Rules, each be taken to have done the thing done by the complying member.
- (4) This section does not apply to a thing required or allowed to be done under section 131, Chapter 4 Part 2 or section 228K or 228L.
- (5) In this section—
- controlling facility activity* means—
- (a) in relation to a pipeline—own, control or operate, or intend to own, control or operate, the pipeline (or part of the pipeline); or

- (b) in relation to any other natural gas industry facility—own, control or operate the natural gas industry facility (or part of the facility).

## **11 Local agents of foreign service providers**

- (1) This section applies if—
  - (a) a service provider is a foreign company; and
  - (b) the service provider has, under the *Corporations Act 2001* of the Commonwealth, appointed a local agent within the meaning of that Act.
- (2) The local agent—
  - (a) is answerable for the doing of all acts, matters and things the service provider is required by or under this Law to do; and
  - (b) is personally liable to a penalty imposed on the service provider for a breach of a provision of this Law or the Rules if a court hearing the matter is satisfied that the local agent should be so liable.

## **12 Commissioning of a pipeline**

A pipeline is commissioned when the pipeline is first used for the haulage of natural gas, on a commercial basis.

## **13 Pipeline classification criterion**

- (1) The pipeline classification criterion is whether the primary function of the pipeline is to—
  - (a) reticulate gas within a market (which is the primary function of a distribution pipeline); or
  - (b) convey gas to a market (which is the primary function of a transmission pipeline).
- (2) Without limiting subsection (1), in determining the primary function of the pipeline, regard must also be had to whether

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the characteristics of the pipeline are those of a transmission pipeline or distribution pipeline having regard to—

- (a) the characteristics and classification of, as the case requires, an old scheme transmission pipeline or an old scheme distribution pipeline;
- (b) the characteristics of, as the case requires, a transmission pipeline or a distribution pipeline classified under this Law;
- (c) the characteristics and classification of pipelines specified in the Rules (if any);
- (d) the diameter of the pipeline;
- (e) the pressure at which the pipeline is or will be designed to operate;
- (f) the number of points at which gas can or will be injected into the pipeline;
- (g) the extent of the area served or to be served by the pipeline;
- (h) the pipeline's linear or dendritic configuration;
- (i) the type of pipeline licence or authorisation that has been obtained in respect of the pipeline under jurisdictional gas legislation.

## **16 Form of regulation factors**

The form of regulation factors are—

- (a) the presence and extent of any barriers to entry in a market for pipeline services;
- (b) the presence and extent of any network externalities (that is, interdependencies) between a natural gas service provided by a service provider and any other natural gas service provided by the service provider;
- (c) the presence and extent of any network externalities (that is, interdependencies) between a natural gas service provided by a service provider and any other

service provided by the service provider in any other market;

- (d) the extent to which any market power possessed by a service provider is, or is likely to be, mitigated by any countervailing market power possessed by a user or prospective user;
- (e) the presence and extent of any substitute, and the elasticity of demand, in a market for a pipeline service in which a service provider provides that service;
- (f) the presence and extent of any substitute for, and the elasticity of demand in a market for, electricity or gas (as the case may be).

## **17 Effect of separate and consolidated access arrangements in certain cases**

- (1) This section applies despite anything to the contrary in this Law.
- (2) If, under this Law and the Rules, separate access arrangements are approved in an applicable access arrangement decision for pipeline services provided, or to be provided, by means of different parts of a scheme pipeline, each part of the scheme pipeline—
  - (a) by which pipeline services are provided; and
  - (b) to which each separate applicable access arrangement applies,

must to be taken to be a separate scheme pipeline for the purposes of this Law.

- (3) If under this Law and the Rules, a single access arrangement is approved in an applicable access arrangement decision for pipeline services provided, or to be provided, by means of 2 or more scheme pipelines, those pipelines must be taken to be a single scheme pipeline for the purposes of this Law.

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**18 Certain extensions to, or expansion of the capacity of, pipelines to be taken to be part of a scheme pipeline**

- (1) Subsection (2) applies in relation to an extension to a scheme pipeline if, by operation of the extension and expansion requirements under an applicable access arrangement, the applicable access arrangement will apply to pipeline services provided by means of the scheme pipeline as extended.
- (2) For the purposes of this Law—
  - (a) the extension to the scheme pipeline must be taken to be part of the scheme pipeline; and
  - (b) the pipeline as extended must be taken to be a scheme pipeline.
- (3) Also, for the purposes of this Law—
  - (a) an expansion of the capacity of a scheme pipeline must be taken to be part of the scheme pipeline; and
  - (b) the pipeline as expanded must be taken to be a scheme pipeline.

**19 Expansions of the capacity of non-scheme pipelines to be taken to be part of non-scheme pipeline**

For the purposes of this Law—

- (a) an expansion of the capacity of a non-scheme pipeline must be taken to be part of the non-scheme pipeline; and
- (b) the pipeline as expanded must be taken to be a non-scheme pipeline.

**19A Related bodies corporate**

For the purposes of this Law, 2 or more bodies corporate are related to each other if they are related bodies corporate within the meaning of the *Corporations Act 2001* of the Commonwealth.

## **20 Interpretation generally**

Schedule 2 to this Law applies to this Law, the Regulations and the Rules and any other statutory instrument made under this Law.

# **Part 2 Participating jurisdictions**

## **21 Participating jurisdictions**

- (1) The following jurisdictions are participating jurisdictions for the purposes of this Law—
  - (a) the State of South Australia; and
  - (b) the Commonwealth, a Territory or a State (other than South Australia) if there is in force, as part of the law of that jurisdiction, a law that applies this Law or any part of this Law (whether by a law that corresponds to Part 2 of the *National Gas (South Australia) Act 2008* of South Australia or by some other law).
- (2) If a law of a participating jurisdiction referred to in subsection (1)(b) ceases to be in force, the jurisdiction ceases to be a participating jurisdiction.

## **22 Ministers of participating jurisdictions**

The Ministers of the participating jurisdictions are—

- (a) the South Australian Minister; and
- (b) the Ministers of the Crown in right of the other participating jurisdictions administering the laws of those jurisdictions that apply this Law or any part of this Law (whether by a law that corresponds to Part 2 of the *National Gas (South Australia) Act 2008* of South Australia or by some other law).

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## **Part 3                      National gas objective and principles**

### **Division 1                National gas objective**

#### **23            National gas objective**

The objective of this Law is to promote efficient investment in, and efficient operation and use of, natural gas services for the long term interests of consumers of natural gas with respect to—

- (a) price, quality, safety, reliability and security of supply of natural gas; and
- (b) the achievement of targets set by a participating jurisdiction—
  - (i) for reducing Australia’s greenhouse gas emissions; or
  - (ii) that are likely to contribute to reducing Australia’s greenhouse gas emissions.

*Note—*

The AEMC must publish targets in a targets statement: see section 72A.

#### **23A          Regulations may prescribe matters for national gas objective**

Without limiting Part 3 of the *National Gas (South Australia) Act 2008* of South Australia, the Regulations may make provision about a matter relating to the achievement of targets mentioned in section 23(b) of this Law.

## **Division 2                      Revenue and pricing principles relating to scheme pipelines**

### **24            Revenue and pricing principles relating to scheme pipelines**

- (1) The revenue and pricing principles that apply in relation to a pipeline service provided by means of a scheme pipeline are the principles set out in subsections (2) to (7).
- (2) A scheme pipeline service provider should be provided with a reasonable opportunity to recover at least the efficient costs the service provider incurs in—
  - (a) providing reference services; and
  - (b) complying with a regulatory obligation or requirement or making a regulatory payment.
- (3) A scheme pipeline service provider should be provided with effective incentives in order to promote economic efficiency with respect to reference services the service provider provides. The economic efficiency that should be promoted includes—
  - (a) efficient investment in, or in connection with, a pipeline with which the service provider provides reference services; and
  - (b) the efficient provision of pipeline services; and
  - (c) the efficient use of the pipeline.
- (4) Regard should be had to the capital base with respect to a pipeline adopted—
  - (a) in any previous—
    - (i) access arrangement decision; or
    - (ii) decision of a relevant Regulator under section 2 of the Gas Code;
  - (b) in the Rules.



- (5) A reference tariff should allow for a return commensurate with the regulatory and commercial risks involved in providing the reference service to which that tariff relates.
- (6) Regard should be had to the economic costs and risks of the potential for under and over investment by a scheme pipeline service provider in a pipeline with which the service provider provides pipeline services.
- (7) Regard should be had to the economic costs and risks of the potential for under and over utilisation of a pipeline with which a scheme pipeline service provider provides pipeline services.

## Division 2A            Innovative trial principles

### 24A    Innovative trial principles

The following principles (the *innovative trial principles*) must be taken into account in determining whether a trial project is genuinely innovative in connection with granting a trial waiver or making a trial Rule relating to a trial project:

- (a) whether the trial project is focused on developing new or materially improved natural gas services;
- (b) whether the trial project is likely to contribute to the achievement of the national gas objective;
- (c) whether the trial project is able to demonstrate a reasonable prospect of giving rise to materially improved services and outcomes for consumers of natural gas;
- (d) whether the trial project maintains adequate consumer protections, including whether the trial project may involve risks to consumers and (if so), how those risks might be mitigated;
- (e) whether the trial project is unable to proceed under the existing regulatory framework;

- (f) whether the trial project has moved beyond research and development stages but is not yet established, or of sufficient maturity, size or otherwise commercially ready, to attract investment;
- (g) whether the trial project may negatively impact AEMO's operation of systems relating to natural gas (including AEMO's performance of its declared system functions), and markets and auctions for natural gas and, if there are impacts, how those impacts can be mitigated;
- (h) whether the trial project may impact on competition in a competitive sector of a market for natural gas;
- (i) any other principle prescribed by the Regulations.

## **Division 3                    MCE policy principles**

### **25            MCE statements of policy principles**

- (1) Subject to this section, the MCE may issue a statement of policy principles in relation to any matters that are relevant to the exercise and performance by the AEMC of its functions and powers in—
  - (a) making a Rule; or
  - (b) conducting a review under section 83.
- (2) Before issuing a statement of policy principles, the MCE must be satisfied that the statement is consistent with the national gas objective.
- (3) As soon as practicable after issuing a statement of policy principles, the MCE must give a copy of the statement to the AEMC.
- (4) The AEMC must publish the statement in the South Australian Government Gazette and on its website as soon as practicable after it is given a copy of the statement.

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## Part 4                      Operation and effect of National Gas Rules

### 26      National Gas Rules to have force of law

The National Gas Rules have the force of law in this jurisdiction.

## Part 5                      Corporations Act displacement

### 26A      Corporations Act displacement

(1) The Regulations may declare a relevant provision to be a Corporations legislation displacement provision for the purposes of section 5G of the *Corporations Act 2001* of the Commonwealth in relation to the provisions of Chapter 5 of that Act.

(2) In this section—

***relevant provision*** means a provision of the Rules that relates to any of the following:

- (a) the functions of the AEMO under procedures relating to defaults by retailers;
- (b) the application (or drawing on) of credit support held by a distributor in respect of a retailer who is the subject of a RoLR event within the meaning of Part 6 of the National Energy Retail Law.

## **Chapter 2            Functions and powers of gas market regulatory entities**

### **Part 1                Functions and powers of the Australian Energy Regulator**

#### **Division 1            General**

#### **27            Functions and powers of the AER**

- (1) The AER has the following functions and powers:
- (a) to monitor compliance by persons (including AEMO) with this Law, the Regulations and the Rules, including compliance with an applicable access arrangement, an access determination and a ring fencing decision; and
  - (b) to investigate breaches or possible breaches of provisions of this Law, the Regulations or the Rules, including offences against this Law; and
  - (ba) without limiting paragraphs (a) and (b), in relation to a person undertaking a trial project under a trial Rule or trial waiver, to monitor the conduct and outcomes of the trial project and investigate breaches or possible breaches by the person of—
    - (i) this Law, the Regulations and the Rules; and
    - (ii) in particular—
      - (A) in the case of a person undertaking a trial project under a trial Rule—the trial Rule and any requirements imposed by the AEMC under section 314B; and
      - (B) in the case of a person undertaking a trial project under a trial waiver—the trial waiver

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and any conditions to which the trial waiver is subject; and

- (c) to institute and conduct proceedings in relation to breaches of provisions of this Law, the Regulations or the Rules, including offences against this Law; and
- (d) to institute and conduct appeals from decisions in proceedings referred to in paragraph (c); and
- (daa) to make—
  - (i) scheme pipeline determinations; and
  - (ii) scheme pipeline revocation determinations; and
  - (iii) greenfields incentive determinations; and
  - (iv) greenfields price protection determinations; and
- (dab) to monitor service providers' behaviour in relation to particular matters, including, for example, the prices charged by service providers for pipeline services; and
- (da) to make a rate of return instrument; and
- (e) AER economic regulatory functions or powers; and
- (ea) to make and amend the Operational Transportation Service Code in accordance with this Law and the Rules; and
- (eb) the AER trial waiver functions; and
- (f) to prepare and publish reports on the financial and operational performance of service providers in providing pipeline services by means of scheme pipelines; and
- (fa) in relation to goods or services in the natural gas industry—
  - (i) to prepare and publish, in accordance with the Rules, aggregated and anonymised information or data about prices for those goods or services; and
  - (ii) other monitoring, analysing or reporting functions that relate to prices for those goods or services

- conferred on the AER by this Law or the Rules;  
and
- (iii) for the purposes of subparagraph (i) or (ii)—to collect and analyse information or data about prices from sources determined by the AER or specified in the Rules; and
  - (g) to approve compliance programs of service providers relating to compliance by service providers with this Law or the Rules; and
  - (h) any other functions and powers conferred on it under this Law or the Rules.
- (1a) The AER has the following functions and powers in relation to the Procedures:
- (a) to investigate breaches or possible breaches of the Procedures referred to the AER by AEMO; and
  - (b) to institute and conduct proceedings in relation to breaches of the Procedures referred to the AER by AEMO; and
  - (c) to institute and conduct appeals from decisions in proceedings referred to in paragraph (b); and
  - (d) to approve, in consultation with AEMO, compliance programs relating to compliance by Registered participants with the Procedures.
- (2) The AER has the power to do all things necessary or convenient to be done for or in connection with the performance of its functions.

## **28 Manner in which AER must perform or exercise AER economic regulatory functions or powers**

- (1) The AER must, in performing or exercising an AER economic regulatory function or power—
- (a) perform or exercise that function or power in a manner that will or is likely to contribute to the achievement of the national gas objective; and

- (b) if the AER is making a designated regulatory decision—
  - (i) ensure that—
    - (A) the scheme pipeline service provider that provides the pipeline services to which the applicable access arrangement decision will apply; and
    - (B) users or prospective users of the pipeline services that the AER considers have an interest in the matter; and
    - (C) any user or consumer associations or user or consumer interest groups that the AER considers have an interest in the matter,  
are, in accordance with the Rules—
      - (D) informed of the material issues under consideration by the AER; and
      - (E) given a reasonable opportunity to make submissions in respect of the decision before it is made; and
  - (ii) specify—
    - (A) the manner in which the constituent components of the decision relate to each other; and
    - (B) the manner in which that interrelationship has been taken into account in the making of the decision; and
  - (iii) (Repealed)
- (2) In addition, the AER—
  - (a) must take into account the revenue and pricing principles—
    - (i) when exercising a discretion in approving or making those parts of an access arrangement relating to a reference tariff; or

- (ii) when making an access determination relating to a rate or charge for a pipeline service; and
  - (b) may take into account the revenue and pricing principles when performing or exercising any other AER economic regulatory function or power, if the AER considers it appropriate to do so.
- (3) For the purposes of subsection (2)(a)(ii), a reference to a “reference service” in the revenue and pricing principles must be read as a reference to a “pipeline service”.
- (4) In this section—

***user or consumer association*** means an association or body (whether incorporated or unincorporated)—

- (a) the members of which include more than 1 user, prospective user or end user; and
- (b) that represents and promotes the interests of those members in relation to the provision of natural gas services;

***user or consumer interest group*** means an association or body (whether incorporated or unincorporated)—

- (a) that has, as an object or purpose, the object or purpose of representing and promoting the interests of users, prospective users or end users of natural gas services; but
- (b) the members of which need not include a user, prospective user or end user.

## 29 Delegations

Any delegation by the AER under section 44AAH of the *Competition and Consumer Act 2010* of the Commonwealth extends to, and has effect for the purposes of, this Law, the Regulations and the Rules.



## 30 Confidentiality

Section 44AAF of the *Competition and Consumer Act 2010* of the Commonwealth has effect for the purposes of this Law, the Regulations and the Rules as if it formed part of this Law.

*Note—*

See also Chapter 10 Part 2 Division 1.

## Division 1A Rate of return instrument

### Subdivision 1 Preliminary

#### 30A Definitions

In this Division—

*consumer reference group*, for making a rate of return instrument, see section 30H(1)(a);

*explanatory information*, for a rate of return instrument, means information about the content of the instrument, including (but not limited to) information explaining—

- (a) the reasons for the rate of return on capital or the value of imputation credits under the instrument; and
- (b) how the stated value, or the way to calculate the rate or value, was decided; and
- (c) if the instrument replaces another instrument—
  - (i) the differences (if any) between the instrument and the replaced instrument; and
  - (ii) the reasons for any differences; and
- (d) why the AER is satisfied the instrument will, or is most likely to, contribute to the achievement of the national gas objective to the greatest degree; and
- (e) how the AER had regard to the following in making the instrument:

- (i) the revenue and pricing principles;
- (ii) the matters mentioned in section 30G;
- (iii) estimation methods, financial models, market data and other evidence relevant to making the instrument;
- (iv) prevailing conditions in the market for equity funds;
- (v) the interrelationships between financial parameters used, or to be used, in relation to deciding the rate or value.

### **30B Rate of return instrument has force of law**

- (1) A rate of return instrument has the force of law in this jurisdiction.
- (2) An Act of this jurisdiction regulating the making of subordinate legislation does not apply to a rate of return instrument.

### **30C Rate of return instrument is binding on AER and scheme pipeline service providers**

A rate of return instrument is binding on—

- (a) the AER in relation to the performance or exercise of an AER economic regulatory function or power; and
- (b) each scheme pipeline service provider in relation to a matter relevant to the performance or exercise of an AER economic regulatory function or power.

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## Subdivision 2 Requirement to make rate of return instrument

### 30D AER to make rate of return instrument

- (1) This section applies if a rate of return on capital or the value of imputation credits is required for performing or exercising an AER economic regulatory function or power.
- (2) The AER must make an instrument (a *rate of return instrument*) stating—
  - (a) for a rate of return on capital—the way to calculate the rate; and
  - (b) for the value of imputation credits—the value or the way to calculate the value.
- (3) The AER may make an instrument only if satisfied the instrument will, or is most likely to, contribute to the achievement of the national gas objective to the greatest degree.
- (4) Subject to subsection (3), the way to calculate a rate of return on capital must include a weighted average of an allowed return on equity and an allowed return on debt.
- (5) In making an instrument, the AER must have regard to—
  - (a) the revenue and pricing principles; and
  - (b) other information the AER considers appropriate.

### 30E Content of rate of return instrument

- (1) If a rate of return instrument states the value of imputation credits, the instrument must state a single value to apply in relation to all scheme pipeline service providers.
- (2) If a rate of return instrument states a way to calculate the rate of return on capital or the value of imputation credits, the instrument must—

[s 30F]

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- (a) provide for the same methodology to apply in relation to all scheme pipeline service providers in calculating the rate or value; and
- (b) provide for the methodology to apply automatically without the exercise of any discretion by the AER.

*Example for paragraph (b)—*

The instrument can not include different methodologies or a band of values from which the AER could choose in applying the instrument.

- (3) Subject to subsections (1) and (2), the instrument may include other matters the AER considers appropriate.

*Example—*

Matters to help a scheme pipeline service provider calculate a rate of return or the value of imputation credits.

## **Subdivision 3      Consultation requirements**

### **30F      Process for making rate of return instrument**

Subject to this Division, the AER may make a rate of return instrument in the way it considers appropriate.

### **30G      Other matters AER must have regard to in making instrument**

In making a rate of return instrument, the AER must also have regard to the following—

- (a) advice, recommendations or submissions given by a consumer reference group;
- (b) submissions made, and the report published, under section 30H;
- (c) submissions made under section 30J;
- (d) the report given by the independent panel under section 30K.

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### 30H Requirements before publishing draft instrument

- (1) Before publishing a draft rate of return instrument under this Subdivision, the AER must—
  - (a) establish a reference group to help the AER implement an effective consumer consultation process for making the proposed instrument (a *consumer reference group*); and
  - (b) publish a notice on its website—
    - (i) inviting persons to make a written submission to the AER about the proposed instrument; and
    - (ii) stating the period, not less than 28 days, within which a submission must be made; and
  - (c) seek concurrent expert opinions or evidence about the proposed instrument.
- (2) A person may make a submission after the stated period only with the written approval of the AER.
- (3) Subject to subsections (4) and (5), the AER may seek the expert opinions or evidence in the way it considers appropriate.

*Example—*

The AER might convene a conference of experts to identify key issues, and areas of dispute and agreement among the experts, about the content of the proposed instrument.

- (4) The AER must call for nominations of eligible experts but may seek the expert opinions or evidence from any eligible expert.
- (5) If practicable, the AER must seek the expert opinions or evidence from at least 3 eligible experts.
- (6) The AER must publish on its website—
  - (a) submissions made under this section; and
  - (b) a report on the outcomes of seeking the expert opinions or evidence.
- (7) In this section—

*eligible expert* means a person with qualifications or experience in a field the AER considers relevant to making a rate of return instrument.

*Examples of relevant fields—*

Finance, economics, law, consumer affairs, institutional investment.

### **30I Consumer reference group**

- (1) A consumer reference group for making a rate of return instrument—
  - (a) is to consist of the members appointed by the AER; and
  - (b) may carry out its activities, including giving advice or recommendations to the AER about the instrument, in the way it considers appropriate.
- (2) Without limiting subsection (1)(b), the consumer reference group may—
  - (a) consult with consumers of natural gas; and
  - (b) facilitate consumer engagement in the process for making the instrument; and
  - (c) make written submissions to the AER about the content of the instrument and the process for making it.
- (3) The AER must publish on its website any written advice, recommendations or submissions given to it by the consumer reference group.

### **30J Publication of draft instrument and other information**

- (1) The AER must, at least 6 months before making a rate of return instrument, publish on its website—
  - (a) a draft of the proposed instrument and the explanatory information for the instrument; and
  - (b) a notice—
    - (i) inviting persons to make a written submission to the AER about the proposed instrument; and

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- (ii) stating the period, not less than 28 days, within which a submission must be made.
  - (2) A person may make a submission after the stated period only with the written approval of the AER.
  - (3) The AER must publish submissions made under this section on its website.

### **30K Report about draft instrument by independent panel**

- (1) The AER must, as soon as practicable after publishing the draft instrument, establish an independent panel to give the AER a written report about the instrument.
- (2) The panel—
  - (a) may carry out its activities, including giving the report, in the way it considers appropriate; but
  - (b) must seek to give the report by consensus.
- (3) The panel must—
  - (a) consist of at least 3 members, appointed by the AER, who have qualifications or experience in a field the AER considers relevant to making a rate of return instrument; and
    - Examples of relevant fields—*
      - Finance, economics, law, consumer affairs, institutional investment.
  - (b) give the report to the AER before the AER makes the instrument.
- (4) The AER must take reasonable steps to minimise and manage any conflicts of interest a panel member may have in relation to making the instrument.
- (5) The report must—
  - (a) include the panel's assessment of the evidence and reasons supporting the rate of return on capital or the value of imputation credits under the instrument; and
  - (b) state whether the report is given by consensus.

- (6) The AER must publish the report on its website.

### **30L Publication of explanatory information**

The AER must publish explanatory information for a rate of return instrument on its website when the instrument is published under section 30N.

### **30M Failure to comply does not affect validity**

Failure to comply with this Subdivision does not invalidate or otherwise affect a rate of return instrument.

## **Subdivision 4 Publication, review and other matters**

### **30N Publication of rate of return instrument**

After making a rate of return instrument, the AER must publish the instrument on its website.

*Note—*

See section 30L for the requirement to publish explanatory information for the instrument.

### **30O Commencement and duration of instrument**

A rate of return instrument—

- (a) commences on the day after it is published on the AER's website; and
- (b) remains in force until the end of the day it is replaced under section 30P.

### **30P Review and replacement of instrument**

- (1) The AER must—
  - (a) review each rate of return instrument; and



- (b) make a new rate of return instrument under this Division to replace the reviewed instrument.
- (2) The AER must replace the reviewed instrument by publishing the new instrument on its website on the day that is—
  - (a) the fourth anniversary of the day the reviewed instrument was published; or
  - (b) if the day mentioned in paragraph (a) is not a business day—the first business day after that day.

### **30Q Application of instrument**

- (1) A rate of return instrument—
  - (a) applies for the purposes of an AER economic regulatory decision made after the commencement of the instrument; and
  - (b) does not affect an AER economic regulatory decision made before the commencement of the instrument.
- (2) To remove any doubt, it is declared that the application of the instrument under this Law, including, for example, in making an access arrangement decision, is an AER economic regulatory function or power.

### **30R Rate of return instrument may apply for this Law and the National Electricity Law**

- (1) The AER may make 1 rate of return instrument for the purposes of this Law and the National Electricity Law.
- (2) If the AER acts under subsection (1)—
  - (a) the process for making the instrument under Part 3 Division 1B of the National Electricity Law is taken to have been complied with for the instrument; and
  - (b) the instrument is taken to be the rate of return instrument for the purposes of the National Electricity Law.

*Note—*

See also section 18W of the National Electricity Law.

- (3) To remove any doubt, it is declared that the instrument may include different ways to calculate the rate of return on capital and the value of imputation credits for the purposes of this Law and the National Electricity Law.

## Subdivision 5 Confidentiality of information

### 30S Confidentiality

- (1) If a person wishes to give information to the AER for the purposes of this Division in confidence—
  - (a) the person must give the AER written notice that the person claims the information is confidential; and
  - (b) give reasons to support the claim, including—
    - (i) information about the detriment that might be caused to the person if the information were disclosed by the AER; and
    - (ii) information that—
      - (A) is reasonably within the person’s knowledge and capacity to give; and
      - (B) may be relevant to the AER’s consideration under section 329 about whether the public benefit in disclosing the information outweighs the detriment.
- (2) In giving reasons to support a claim under subsection (1) about information received from another person (a *third party*), a person may include information that—
  - (a) is reasonably within the person’s knowledge and capacity to give; and
  - (b) is about the detriment that might be caused to the third party if the information were disclosed by the AER; and

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- (c) may be relevant to the AER's consideration under section 329 about whether the public benefit in disclosing the information outweighs the detriment.
- (3) In acting under subsection (1), a person must specifically identify the information in relation to which the claim is made.
- (4) Information given to the AER for the purposes of this Division is not to be regarded as being given in confidence, or to be confidential in any way, unless the information is subject to an express claim of confidentiality made under this section.

### **30T Disclosure of information given in confidence**

- (1) Chapter 10 Part 2 Division 1 applies in relation to publishing information given to the AER in confidence under this Division.
- (2) In this section—  
*information* includes advice, recommendations, submissions and reports.

## **Division 1B AER trial waiver functions**

### **30U Definitions**

In this Division—  
*proponent*—section 30W(1).

### **30V Interpretative matters**

- (1) The functions of the AER under this Division are the *AER trial waiver functions*.
- (2) This Division does not limit any other provision of this Law or the Rules that provides for an exemption from, or for the waiver of, compliance with this Law or the Rules.

### **30W Trial waiver**

- (1) Subject to this section, the AER may, on application by a person or body that proposes to undertake a trial project (a *proponent*), make a determination to grant the proponent an exemption (a *trial waiver*) from 1 or more of the following:
  - (a) section 91BJ;
  - (b) section 91BRD;
  - (c) section 91BRR;
  - (d) section 91LB;
  - (e) the Rules, or a provision of the Rules.
- (2) Before making a determination to grant a trial waiver, the AER must have regard to the innovative trial principles and any matter required by the Rules.
- (3) An application for a trial waiver must be made in accordance with the Rules.

### **30X Conditions of trial waiver**

- (1) A trial waiver must be in writing and—
  - (a) must be subject to any conditions required by the Rules; and
  - (b) may be subject to any conditions the AER considers appropriate.
- (2) The AER may vary or revoke a condition of a trial waiver in accordance with the Rules.

### **30Y Consultation on trial waiver**

Before granting a trial waiver, the AER must—

- (a) comply with any requirements specified by the Rules; and
- (b) undertake consultation (including with the proponent) in accordance with the Rules.

### **30Z Publication etc of trial waiver**

As soon as practicable after a trial waiver is made, a copy of the trial waiver must be published on the AER's website.

### **30ZA Duration of trial waiver**

Subject to this Division, a trial waiver has effect from the day specified in the trial waiver and for the period (not exceeding 5 years) specified in the trial waiver.

### **30ZB Extension of trial waiver**

- (1) The AER may, in accordance with the Rules, extend the period for which a trial waiver granted under this Division has effect by a period determined by the AER (which cannot exceed the period prescribed by the Regulations).
- (2) Before granting an extension under subsection (1), the AER must have regard to the innovative trial principles and any matter required by the Rules.
- (3) An extension under subsection (1) must be in writing and must be published on the AER's website.
- (4) An extension under subsection (1) may only be granted once in respect of a trial waiver granted under this Division.

### **30ZC Compliance with trial waiver**

- (1) A proponent granted a trial waiver must comply with any conditions to which the trial waiver is subject.
- (2) If a proponent breaches subsection (1), the AER may—
  - (a) revoke the trial waiver; or
  - (b) vary or revoke a condition of, or impose further conditions on, the trial waiver.
- (3) Nothing in this section limits section 30ZD.

### **30ZD Revocation of trial waiver**

The AER may, in accordance with the Rules, revoke a trial waiver granted under this Division.

### **30ZE Other matters**

- (1) The AER must not grant a trial waiver if the AER reasonably considers—
  - (a) that the trial project for which the trial waiver is sought is materially similar to a trial project—
    - (i) for which a trial Rule has been made; or
    - (ii) that is the subject of a request under section 295(1) for the making of a trial Rule; or
  - (b) that the trial project is unlikely to be carried out.
- (2) The AER cannot grant itself a trial waiver.

## **Division 2 Search warrants**

### **31 Definitions**

In this Division—

*authorised person* means a person authorised under section 32;

*relevant provision* means a provision of this Law, the Regulations or the Rules.

### **32 Authorised person**

- (1) The AER may, in writing, authorise a person that the AER considers is suitably qualified or trained to be an authorised person for the purposes of this Division.
- (2) An authorised person must comply with any direction of the AER in exercising powers or functions as an authorised person.

### **33 Identity cards**

- (1) The AER must issue an identity card to an authorised person.
- (2) The identity card must contain the name, a recent photograph and the signature of the authorised person.
- (3) An authorised person must carry the identity card at all times when exercising powers or performing functions as an authorised person.
- (4) An authorised person must produce his or her identity card for inspection—
  - (a) before exercising a power as an authorised person; or
  - (b) at any time during the exercise of a power as an authorised person, if asked to do so.

### **34 Return of identity cards**

If a person to whom an identity card has been issued ceases to be an authorised person, the person must return the identity card to the AER as soon as practicable.

Maximum penalty: \$620.

*Note—*

See Schedule 2 clause 47B, which provides for criminal penalty amounts to be adjusted every 3 years to reflect movements in the consumer price index. The adjusted amounts are published on the AER's website.

### **35 Search warrant**

- (1) An authorised person may apply to a magistrate for the issue of a search warrant in relation to a particular place if the person—
  - (a) believes on reasonable grounds that—
    - (i) there is or has been or will be a breach of a relevant provision; and

- (ii) there is or may be a thing or things of a particular kind connected with that breach on or in that place;  
or
  - (b) reasonably suspects that—
    - (i) there may have been a breach of a relevant provision; and
    - (ii) there is or may be a thing or things of a particular kind connected with that breach on or in that place.
- (2) If a magistrate is satisfied by the evidence, on oath or by affidavit, of an authorised person that there are reasonable grounds for suspecting that there is, or may be within the next 7 days, a thing or things of a particular kind connected with a breach or possible breach of a relevant provision on or in a place, the magistrate may issue a search warrant authorising an authorised person named in the warrant—
  - (a) to enter the place specified in the warrant, with such assistance and by the use of such force as is necessary and reasonable;
  - (b) to search the place or any part of the place;
  - (c) to search for and seize a thing named or described in the warrant and which the person believes on reasonable grounds to be connected with the breach or possible breach of the relevant provision;
  - (d) to inspect, examine or record an image of anything in the place;
  - (e) to take extracts from, and make copies of, any documents in the place;
  - (f) to take into the place such equipment and materials as the person requires for exercising the powers.
- (3) A search warrant issued under this section must state—
  - (a) the purpose for which the search is required and the nature of the suspected breach of the relevant provision; and
  - (b) any conditions to which the warrant is subject; and



- (c) whether entry is authorised to be made at any time of the day or night or during stated hours of the day or night; and
  - (d) a day, not later than 7 days after the issue of the warrant, on which the warrant ceases to have effect.
- (4) Except as provided by this Law, the rules to be observed with respect to search warrants mentioned in any relevant laws of this jurisdiction extend and apply to warrants under this section.

### **36 Announcement of entry and details of warrant to be given to occupier or other person at premises**

- (1) This section applies if the occupier or another person who apparently represents the occupier is present at premises when a search warrant is being executed.
- (2) The authorised person executing the warrant must—
  - (a) identify himself or herself to that person; and
  - (b) announce that he or she is authorised by the warrant to enter the place; and
  - (c) before using force to enter, give the person an opportunity to allow entry; and
  - (d) give the person a copy of the warrant.
- (3) The authorised person executing the warrant is not entitled to exercise any powers under the warrant in relation to premises if the authorised person does not comply with subsection (2).

### **37 Immediate entry permitted in certain cases**

An authorised person executing a warrant need not comply with section 36 if he or she believes on reasonable grounds that immediate entry to premises is required to ensure—

- (a) the safety of any person; or
- (b) that the effective execution of the search warrant is not frustrated.

### **38 Copies of seized documents**

- (1) If an authorised person executing a warrant retains possession of a document seized from a person in accordance with the warrant, the authorised person must give that other person, within 21 days of the seizure, a copy of the document certified as correct by the authorised person executing the warrant.
- (2) A copy of a document certified under subsection (1) shall be received in all courts and all tribunals as evidence of equal validity to the original.

### **39 Retention and return of seized documents or things**

- (1) If an authorised person executing a warrant seizes a document or other thing in accordance with the warrant, the authorised person must if he or she is not a person employed by the AER, give the document or other thing seized to the AER.
- (2) The AER must take reasonable steps to return the document or thing to the person from whom it was seized if the reason for its seizure no longer exists.
- (3) If the document or thing seized has not been returned within 3 months after it was seized, the AER must take reasonable steps to return it unless—
  - (a) proceedings for the purpose for which the document or thing was retained have commenced within that 3 month period and those proceedings (including any appeal) have not been completed; or
  - (b) a magistrate makes an order under section 40 extending the period during which the document or thing may be retained.

### **40 Extension of period of retention of documents or things seized**

- (1) The AER may apply to a magistrate—
  - (a) within 3 months after a document or other thing was seized in accordance with a warrant; or

- (b) if an extension has been granted under this section, before the end of the period of the extension, for an extension of the period for which the AER may retain the document or thing but so that the total period of retention does not exceed 12 months.
- (2) An application must be made before proceedings for the purpose for which the document or thing was retained have been commenced.
- (3) A magistrate may order such an extension if he or she is satisfied that—
- (a) it is in the interests of justice; and
  - (b) the total period of retention does not exceed 12 months; and
  - (c) retention of the document or other thing is necessary—
    - (i) for the purposes of an investigation into whether a breach of a relevant provision has occurred; or
    - (ii) to enable evidence of a breach of a relevant provision to be obtained for the purposes of a proceeding under this Law.
- (4) If proceedings are commenced for the purpose for which the document or thing was retained at any time before the expiry of the period specified in an order under this section, the document or thing may be retained until those proceedings (including any appeal) have been completed despite those proceedings being completed after the period specified in the order.
- (5) At least 7 days prior to the hearing of an application under this section by a magistrate, notice of the application must be sent to the owner of the document or thing described in the application.

#### **41 Obstruction of persons authorised to enter**

A person must not, without reasonable excuse, obstruct or hinder an authorised person in the exercise of a power under a search warrant under this Division.

Maximum penalty:

- (a) in the case of a natural person—\$3 400;
- (b) in the case of a body corporate—\$17 000.

*Note—*

See Schedule 2 clause 47B, which provides for criminal penalty amounts to be adjusted every 3 years to reflect movements in the consumer price index. The adjusted amounts are published on the AER's website.

### **Division 3                      General information gathering powers**

#### **42 Power to obtain information and documents in relation to performance and exercise of functions and powers**

- (1) If the AER has reason to believe that a person is capable of providing information, producing a document or giving evidence that the AER requires for the performance or exercise of a function or power conferred on it under this Law or the Rules, the AER may, by notice in writing, serve on that person a notice (a *relevant notice*).
- (2) A relevant notice may require the person to do 1 or more of the following:
  - (a) provide to the AER, by writing signed by that person or, in the case of a body corporate, by a competent officer of the body corporate, within the time and in the manner specified in the notice, any information of the kind referred to in subsection (1); or
  - (b) produce to the AER, or to a person specified in the notice acting on its behalf, in accordance with the

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notice, any documents of the kind referred to in subsection (1); or

- (c) appear before the AER, or before a member of the staff assisting the AER who is an SES employee or an acting SES employee and who is specified in the notice, at a time and place specified in the notice, to provide any information or to give any evidence of the kind referred to in subsection (1), either orally or in writing, and to produce any documents of the kind referred to in subsection (1).

- (3) A person on whom a relevant notice is served must comply with the relevant notice unless the person has a reasonable excuse.

Maximum penalty:

- (a) in the case of a natural person—\$6 300;  
(b) in the case of a body corporate—\$31 500.

*Note—*

See Schedule 2 clause 47B, which provides for criminal penalty amounts to be adjusted every 3 years to reflect movements in the consumer price index. The adjusted amounts are published on the AER's website.

- (3a) A person must not, when appearing under subsection (2)(c), refuse or fail to answer a question that the person is required to answer for the purpose of providing information or giving evidence unless the person has a reasonable excuse.

Maximum penalty: \$6 300.

*Note—*

See Schedule 2 clause 47B, which provides for criminal penalty amounts to be adjusted every 3 years to reflect movements in the consumer price index. The adjusted amounts are published on the AER's website.

- (4) A person must not, in purported compliance with a relevant notice, provide information or give evidence that the person knows is false or misleading in a material particular.

Maximum penalty:

- (a) in the case of a natural person—\$6 300;
- (b) in the case of a body corporate—\$31 500.

*Note—*

See Schedule 2 clause 47B, which provides for criminal penalty amounts to be adjusted every 3 years to reflect movements in the consumer price index. The adjusted amounts are published on the AER's website.

- (5) It is a reasonable excuse for the purposes of subsection (3) if the person served the relevant notice is not capable of complying with that notice.
- (5a) It is a reasonable excuse for the purposes of subsection (3a) if the person is not capable of providing the information or giving the evidence (as the case may be) to which the question relates.
- (6) It is a reasonable excuse for a natural person to—
  - (a) fail to provide information or to give evidence of the kind referred to in subsection (1) to the AER, or to a person specified in a relevant notice;
  - (b) fail to produce a document of the kind referred to in subsection (1) to the AER, or to a person specified in a relevant notice acting on behalf of the AER,if to do so might tend to incriminate the person, or make the person liable to a criminal penalty, under a law of this jurisdiction or a law of another participating jurisdiction.
- (7) It is not a reasonable excuse for a person to—
  - (a) fail to provide information of the kind referred to in subsection (1) to the AER, or to a person specified in a relevant notice; or
  - (b) fail to produce a document of the kind referred to in subsection (1) to the AER, or to a person specified in a relevant notice acting on behalf of the AER,on the ground of any duty of confidence.
- (8) This section does not require a person to—

- (a) provide information that is the subject of legal professional privilege; or
  - (b) produce a document the production of which would disclose information that is the subject of legal professional privilege.
- (9) This section does not require a person to—
- (a) provide information or give evidence that would disclose the contents of a document prepared for the purposes of a meeting of the Cabinet or a committee of the Cabinet of the Commonwealth or of a State or a Territory; or
  - (b) produce a document prepared for the purposes of a meeting of the Cabinet or a committee of the Cabinet of the Commonwealth or of a State or a Territory; or
  - (c) provide information, give evidence or produce a document that would disclose the deliberations of the Cabinet or a committee of the Cabinet of the Commonwealth or of a State or a Territory.
- (9a) The AER, or a person specified in a relevant notice under this section, may require evidence given under subsection (2)(c) to be given on oath or affirmation and for that purpose the AER or specified person (as the case may be) may administer the oath or affirmation.
- (9b) A person must not, without reasonable excuse, refuse or fail to be sworn or to make an affirmation under subsection (9a).

Maximum penalty: \$6 300.

*Note—*

See Schedule 2 clause 47B, which provides for criminal penalty amounts to be adjusted every 3 years to reflect movements in the consumer price index. The adjusted amounts are published on the AER's website.

- (10) A person incurs, by complying with a relevant notice, no liability for breach of contract, breach of confidence or any other civil wrong.

- (11) Subject to the preceding subsections, the Court may, on application by the AER on behalf of the Commonwealth, if satisfied that a person has breached subsection (3) or (3a), make an order that the person take such action as the Court requires for remedying the breach.
- (12) To avoid doubt, the Court may act under subsection (11) if satisfied on the balance of probabilities that a person is in breach of subsection (3) or (3a) (as the case may be).
- (13) The AER must not exercise, or continue to exercise, a power under subsection (1) in relation to a matter (and any notice under that subsection will cease to have effect)—
  - (a) after the AER has commenced proceedings in relation to the matter, other than proceedings for an injunction (whether interim or final); or
  - (b) if proceedings for a final injunction have been commenced by the AER—after the close of pleadings in those proceedings.
- (14) Subsection (13) does not prevent the AER from—
  - (a) using any information, evidence or document acquired under this section in any proceedings if the information, evidence or document has been obtained before the commencement of those proceedings; or
  - (b) exercising a power under this section for a purpose other than for the purposes of proceedings referred to in that subsection.
- (15) Any information, evidence or document obtained under subsection (14)(b) may be used in any proceedings if it is found to be relevant to those proceedings.
- (16) The Regulations may make any other provision in relation to the form, content or service of a notice under this section.
- (17) An annual report for the AER must include the following information relating to the relevant reporting period for that report:



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- (a) the number of notices (if any) given under subsection (2)(c) during the reporting period to appear to provide information or to give evidence orally;
  - (b) in relation to a notice under paragraph (a)—a general description of the nature of the matter or matters in respect of which the notice was given;
  - (c) the number of proceedings (if any) commenced during the reporting period to challenge a notice given under subsection (2)(c) to appear to provide information or to give evidence orally.
- (18) A person must not—
- (a) threaten, intimidate or coerce another person; or
  - (b) cause or procure damage, loss or disadvantage to another person,
- because that other person—
- (c) proposes to provide information, give evidence or produce a document in response to a notice under this section; or
  - (d) proposes to appear, or has appeared, in response to a notice under this section.

Maximum penalty: \$6 300.

*Note—*

See Schedule 2 clause 47B, which provides for criminal penalty amounts to be adjusted every 3 years to reflect movements in the consumer price index. The adjusted amounts are published on the AER's website.

- (19) In this section—

***acting SES employee*** has the same meaning as in the *Public Service Act 1999* of the Commonwealth;

***SES employee*** has the same meaning as in the *Public Service Act 1999* of the Commonwealth.

## **Division 4                      Regulatory information notices,   general regulatory information   orders and price information orders**

### **Subdivision 1            Interpretation**

#### **43            Definitions**

In this Division—

*contributing service* has the meaning given by section 44;

*related provider* means a person who supplies a contributing service to a service provider.

#### **44            Meaning of contributing service**

- (1) A contributing service is a service that the AER, in accordance with this section, decides is a service that contributes in a material way to the provision of a pipeline service by a service provider.
- (2) In deciding whether a service is a service that contributes in a material way to the provision of a pipeline service by a service provider, the AER must have regard to—
  - (a) the nature and kind of the service;
  - (b) when the service was first supplied;
  - (c) the nature and extent of the contribution of the service relative to—
    - (i) the pipeline service; and
    - (ii) all other services supplied by the service provider;
  - (d) whether the service was previously supplied—
    - (i) by the service provider; or
    - (ii) directly or indirectly by an associate of the service provider;

- (e) whether the service, together with other services, contributes in a material way to the provision of pipeline services;
- (f) any other matter specified under the Rules.

#### **45 Meaning of general regulatory information order**

- (1) A general regulatory information order is an order made by the AER in accordance with this Division that requires each service provider of a specified class, or each related provider of a specified class, to do either or both of the following:
  - (a) provide to the AER the information specified in the order;
  - (b) prepare, maintain or keep information specified in the notice in a manner and form specified in the order.
- (2) A general regulatory information order does not include an order that is made as a price information order.

#### **46 Meaning of regulatory information notice**

- (1) A regulatory information notice is a notice prepared and served by the AER in accordance with this Division that requires the service provider, or a related provider, named in the notice to do either or both of the following:
  - (a) provide to the AER the information specified in the notice;
  - (b) prepare, maintain or keep information specified in the notice in a manner and form specified in the notice.
- (2) A regulatory information notice does not include an order that is made as a price information order.

#### **46A Meaning of price information order**

- (1) A price information order is an order made by the AER in accordance with this Division that requires a person of a specified class to provide to the AER information—

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- (a) that relates to the AER gas price reporting functions; and
  - (b) that is specified in the order.
- (2) The order may require a person to whom the order relates to prepare, maintain or keep information specified in the order in a manner and form specified in the order.

**47 Division does not limit operation of information gathering powers under Division 3**

This Division does not limit the operation of Division 3.

**Subdivision 2 Serving and making of regulatory information instruments**

**48 Service and making of regulatory information instrument**

- (1) Subject to this Division, the AER, if it considers it reasonably necessary for the performance or exercise of its functions or powers under this Law or the Rules, may—
- (a) serve a regulatory information notice on a service provider or a related provider; or
  - (b) make a general regulatory information order.
- (2) In considering whether it is reasonably necessary to serve a regulatory information notice, or make a general regulatory information order, the AER must have regard to—
- (a) the matter to be addressed by—
    - (i) the service of the regulatory information notice; or
    - (ii) the making of the general regulatory information order; and
  - (b) the likely costs that may be incurred by an efficient service provider or efficient related provider in complying with the notice or order.

*Note—*

The AER must also exercise its powers under this section in a manner that will or is likely to contribute to the achievement of the national gas objective: see section 28.

- (2a) Subject to this Division, the AER, if it considers it reasonably necessary for the performance of its AER gas price reporting functions, may make a price information order.
- (3) A regulatory information notice must not be served, or a general regulatory information order or a price information order must not be made, solely for the purpose of—
  - (a) investigating breaches or possible breaches of provisions of this Law, the Regulations or the Rules, including offences against this Law; or
  - (b) instituting and conducting proceedings in relation to breaches of provisions of this Law, the Regulations or the Rules, including offences against this Law; or
  - (c) instituting and conducting appeals from decisions in proceedings referred to in paragraph (b); or
  - (e) any application for review of a decision of the AER under Chapter 8 Part 5.

**49 Additional matters to be considered for related provider regulatory information instruments**

- (1) This section applies if the AER is intending to—
  - (a) serve a regulatory information notice on a related provider; or
  - (b) make a general regulatory information order that will apply to a class of related providers.
- (2) In addition to the matters set out in section 48(2), the AER, in considering whether it is reasonably necessary to serve the regulatory information notice, or make the general regulatory information order, must have regard to—
  - (a) whether the service provider being supplied a contributing service by the related provider or related

- providers to which the intended regulatory information instrument will apply can—
- (i) provide the information to be specified in that instrument; or
  - (ii) prepare, maintain or keep the information to be specified in the particular manner and form to be specified in that instrument; and
- (b) the extent to which the related provider or related providers to which the intended regulatory information instrument will apply is, or are, supplying a contributing service on a genuinely competitive basis; and
- (c) the nature of any ownership or control between—
- (i) the service provider being supplied a contributing service by a related provider to which the intended regulatory information instrument will apply; and
  - (ii) that related provider; and
- (d) the nature of any ownership or control as between different related providers supplying the contributing service to the service provider; and
- (e) any other matter the AER considers relevant.
- (3) For the purposes of subsection (2)(b), in considering whether a contributing service is being supplied on a genuinely competitive basis, the AER may take into account—
- (a) whether there is effective competition in the market for the supply of the contributing service; and
  - (b) whether the related provider supplies the contributing service to a service provider under a contract, arrangement or understanding entered into with that service provider following a competitive process for the awarding of the right to enter into that contract, arrangement or understanding involving persons who were not associates of the service provider.

## **50 AER must consult before publishing an order**

The AER must, in accordance with the Rules, consult with the public on the general regulatory information order or the price information order it intends to make before it makes that order.

*Note—*

See also section 65 about what the AER must and may do after receiving submissions.

## **51 Publication requirements for orders**

As soon as practicable after making a general regulatory information order or a price information order, the AER must—

- (a) publish the order on the AER's website; and
- (b) arrange for notice of the making of the order to be published in the South Australian Government Gazette.

## **52 Opportunity to be heard before regulatory information notice is served**

- (1) The AER, before serving a regulatory information notice, must—
  - (a) notify, in writing, the service provider, or the related provider, on whom the AER intends to serve the regulatory information notice of its intention to do so; and
  - (b) give the service provider, or the related provider, a draft of the regulatory information notice it intends to serve.
- (2) If the regulatory information notice to be served is an urgent notice, the AER must, in a notice under subsection (1)—
  - (a) identify the regulatory information notice to be served as an urgent notice; and
  - (b) give its reasons, in writing, why the regulatory information notice to be served is an urgent notice.

- (3) A regulatory information notice is an urgent notice if—
  - (a) under the notice the AER will require the service provider or related provider to provide information to the AER; and
  - (b) that requirement has arisen because the AER considers it must deal with or address a particular matter or thing in order for it to make an AER economic regulatory decision or a rate of return instrument; and
  - (c) the AER considers that, having regard to the time within which it must make that AER economic regulatory decision or rate of return instrument, the time within which the AER requires the information is of the essence.
- (4) A notice under subsection (1) must—
  - (a) invite the service provider, or the related provider, to make written representations to the AER as to whether the AER should serve the regulatory information notice on them; and
  - (b) specify the period within which the service provider, or the related provider, may make the representations.
- (5) The period that must be specified in accordance with subsection (4) must be—
  - (a) in the case of an urgent notice to be served—a period of not less than 5 business days and not more than 10 business days calculated from the date of the notice under subsection (1);
  - (b) in all other cases—a period of at least 20 business days calculated from the date of the notice under subsection (1).
- (6) The AER must consider the written representations made in accordance with a notice under subsection (1) before making its decision in accordance with this Division to serve the regulatory information notice.



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## **Subdivision 3      Form and content of regulatory information instruments**

### **53      Form and content of regulatory information instrument**

- (1) A regulatory information instrument—
  - (a) must specify the information required to be—
    - (i) provided to the AER;
    - (ii) prepared, maintained or kept in the particular manner and form specified in the instrument; and
  - (b) may specify the manner and form in which the information described in the instrument is required to be—
    - (i) provided to the AER;
    - (ii) prepared, maintained or kept; and
  - (c) except in the case of a price information order, must state the reasons of the AER for requiring the information described in the instrument to be—
    - (i) provided to the AER;
    - (ii) prepared, maintained or kept in the particular manner and form specified in the instrument; and
  - (d) in the case of an instrument requiring information to be provided to the AER, must specify when the information must be provided.
- (2) In the case of a regulatory information notice, the notice must name the service provider or the related provider to whom it applies.
- (3) In the case of a general regulatory information order or a price information order, the order must specify the class of persons to whom the order applies.

**54 Further provision about the information that may be described in a regulatory information instrument**

- (1) Without limiting section 53(1)(a), the information that may be required to be provided to the AER, or to be prepared, maintained or kept, may include—
  - (a) historic, current and forecast information (including financial information);
  - (b) information that is or may be derived from other information in the possession or control of the person to whom the instrument applies;
  - (c) information to enable the AER to verify whether the service provider to whom the instrument applies is or has been complying with Chapter 4;
  - (d) information to enable the AER to verify compliance with any requirements for the allocation of costs between natural gas services under—
    - (i) the Rules; or
    - (ii) an applicable access arrangement.
- (2) Subsection (1)(c) and (d) do not apply in relation to a price information order.

**55 Further provision about manner in which information must be provided to AER or kept**

Without limiting section 53(1)(b), a regulatory information instrument may require that the information specified in the instrument—

- (a) be provided to the AER, or prepared, maintained or kept, on an annual basis or some other basis, including on the occurrence of a specified event or state of affairs;
- (b) be provided to the AER, or prepared, maintained or kept, in accordance with specified Rules;
- (c) be provided to the AER, or prepared, maintained or kept, in accordance with any document, code, standard, rule, specification or method formulated, issued,

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prescribed or published by the AER or any person, authority or body whether—

- (i) wholly or partially or as amended by the instrument; or
- (ii) as formulated, issued, prescribed or published at the time the instrument is served or published or at any time before the instrument is served or published; or
- (iii) as amended from time to time;

*Example—*

The AER may require a service provider to provide information in a form and manner that complies with relevant accounting standards.

- (d) be verified by way of statutory declaration by an officer of the person to whom the instrument applies;
- (e) be audited—
  - (i) by a class of person specified in the instrument before it is provided to the AER; and
  - (ii) at the expense of the person to whom the instrument applies.

## **Subdivision 4 Compliance with regulatory information instruments**

### **56 Compliance with regulatory information notice that is served**

On being served a regulatory information notice, a person named in the notice must comply with the notice.

### **57 Compliance with order**

- (1) On publication of a general regulatory information order or a price information order in accordance with section 51, a

person who is a member of the class of persons to which the order applies must comply with the order.

- (2) Subsection (1) does not apply to a person who has been given an exemption under section 58.

## 57A Confidentiality issues

- (1) If a person wishes, in complying with a regulatory information instrument, to give information to the AER in confidence, the person must, when the information is given to the AER—
- (a) make a claim of confidentiality; and
  - (b) provide reasons in support of the claim, which must include—
    - (i) information about any detriment that might be caused to the person if the information were to be disclosed by the AER; and
    - (ii) information—
      - (A) that is reasonably within the person's knowledge and capacity to give; and
      - (B) that may be relevant to the AER's consideration under section 329 of whether such detriment may be considered as outweighing the public benefit in disclosing the information.
- (2) A person may, in providing reasons in support of a claim under subsection (1) in respect of information received from another person (a *third party*), include information—
- (a) that is reasonably within the person's knowledge and capacity to give; and
  - (b) that—
    - (i) is about any detriment that might be caused to the third party if the information were to be disclosed by the AER; and

- (ii) may be relevant to the AER's consideration under section 329 of whether such detriment may be considered as outweighing the public benefit in disclosing the information.
- (3) A person must, in acting under subsection (1), specifically identify the information in relation to which the claim is made.
- (4) Information given to the AER in compliance with a regulatory information instrument is not to be regarded as being given to the AER in confidence (or to be confidential in any other respect) unless it is subject to an express claim of confidentiality made in accordance with this section.
- (5) This section does not apply in relation to a price information order.

#### **57B Disclosure of information given to AER in compliance with regulatory information instrument**

- (1) The AER, in relation to information given to the AER in compliance with a regulatory information instrument, other than a price information order, is authorised to—
  - (a) if no claim of confidentiality has been made in accordance with section 57A in relation to the information, disclose the information;
  - (b) if a claim of confidentiality has been made in accordance with section 57A in relation to the information, disclose the information in accordance with Chapter 10 Part 2 Division 1.
- (2) The AER, in relation to information given to the AER in compliance with a price information order, is to treat the information as having been given to it in confidence and is authorised to disclose the information in accordance with Chapter 10 Part 2 Division 1.

**58 Exemptions from compliance with general regulatory information order or price information order**

- (1) The AER may exempt a person, or a class of person, from complying with section 57—
  - (a) unconditionally or on specified conditions; or
  - (b) wholly or to the extent as is specified in the exemption.
- (2) An exemption under this section must be in writing.

**59 Assumptions where there is non-compliance with regulatory information instrument**

- (1) This section applies if—
  - (a) under a regulatory information instrument the AER—
    - (i) requires a service provider to provide information to the AER for the purpose of enabling the AER to make an AER economic regulatory decision relating to the service provider or to make a rate of return instrument; or
    - (ii) requires a related provider to provide information to the AER that is relevant to the making of an AER economic regulatory decision relating to a service provider or the making of a rate of return instrument; and
  - (b) the service provider or related provider—
    - (i) does not provide the information to the AER in accordance with the applicable regulatory information instrument; or
    - (ii) provides information that is insufficient (when compared to what was requested under the applicable regulatory information instrument).
- (2) Without limiting sections 56 and 57 and despite anything to the contrary in this Law or the Rules, the AER—
  - (a) may make the AER economic regulatory decision or the rate of return instrument on the basis of the information

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the AER has at the time it makes that decision or instrument; and

- (b) in making that decision or instrument, may make reasonable assumptions (including assumptions adverse to the interests of the service provider) in respect of the matters the information required under the regulatory information instrument would have addressed had that information been provided as required.
- (3) This section does not apply in relation to a price information order.

## **Subdivision 5      General**

### **60      Providing to AER false and misleading information**

A person must not, in purported compliance with a regulatory information instrument requiring the person to provide information to the AER, provide information to the AER that the person knows is false or misleading in a material particular.

Maximum penalty:

- (a) in the case of a natural person—\$6 300;
- (b) in the case of a body corporate—\$31 500.

*Note—*

See Schedule 2 clause 47B, which provides for criminal penalty amounts to be adjusted every 3 years to reflect movements in the consumer price index. The adjusted amounts are published on the AER's website.

### **61      Person cannot rely on duty of confidence to avoid compliance with regulatory information instrument**

- (1) A person must not refuse to comply with a regulatory information instrument on the ground of any duty of confidence.

- (2) A person incurs, by complying with a regulatory information instrument, no liability for breach of contract, breach of confidence or any other civil wrong.

## **62 Legal professional privilege not affected**

A regulatory information instrument, and sections 56 and 57, are not to be taken as requiring a person to—

- (a) provide to the AER information that is the subject of legal professional privilege; or
- (b) produce a document to the AER the production of which would disclose information that is the subject of legal professional privilege.

## **63 Protection against self-incrimination**

- (1) It is a reasonable excuse for a natural person to whom section 56 applies not to comply with a regulatory information notice served on the person requiring the person to provide information to the AER if to do so might tend to incriminate the person, or make the person liable to a criminal penalty, under a law of this jurisdiction or another participating jurisdiction.
- (2) It is a reasonable excuse for a natural person to whom section 57 applies not to comply with a general regulatory information order or a price information order made requiring the person to provide information to the AER if to do so might tend to incriminate the person, or make the person liable to a criminal penalty, under a law of this jurisdiction or another participating jurisdiction.

# **Division 4A Monitoring service providers**

## **63A AER must monitor service providers' behaviour**

The AER must regularly and systematically monitor the following matters:



- (a) the prices charged by service providers for pipeline services;
- (b) the non-price terms and conditions for pipeline services;
- (c) the financial information reported by service providers;
- (d) the outcomes of access negotiations;
- (e) service providers' dealings with associates;
- (f) service providers' compliance with ring fencing requirements;
- (g) the compliance of service providers with other requirements of this Law and the Rules.

### **63B AER must report to MCE**

- (1) At least every 2 years, the AER must report to the MCE on its work under this Division for the previous 2 years (the *relevant period*).
- (2) The MCE may issue a direction to the AER requiring the AER to include information in the report about a stated matter that relates to the AER's performance or exercise of its functions or powers under Chapters 3 to 5.
- (3) The report must—
  - (a) state how many service providers the AER monitored during the relevant period for the purposes of this Division; and
  - (b) summarise the information obtained in relation to the matters mentioned in section 63A; and
  - (c) state how the AER obtained information contained in the report; and
  - (d) give an assessment of the behaviour of service providers in relation to the matters mentioned in section 63A; and
  - (e) state the extent to which service providers have complied, or failed to comply, with their obligations under this Law, the Regulations and the Rules; and

- (f) include any information requested in a direction issued by the MCE under subsection (2).
- (4) As soon as practicable after giving a report to the MCE under this section, the AER must publish, on its website, a version of the report that—
  - (a) contains aggregated information about each of the matters mentioned in section 63A; and
  - (b) is not likely to result in the identification of a particular service provider.

## **Division 5                      Service provider performance reports relating to scheme pipelines**

### **64                      Preparation of service provider performance reports relating to scheme pipelines**

- (1) Subject to this section, the AER may prepare a report on the financial performance or operational performance of 1 or more scheme pipeline service providers in providing pipeline services by means of a scheme pipeline.

*Note—*

The AER may only prepare a report under subsection (1) if the preparation of the report will or is likely to contribute to the achievement of the national gas objective: see section 28.

- (1a) The AER must prepare a report under this section if (and to the extent) required by the Rules.
- (2) A report prepared under this section may—
  - (a) deal with the financial or operational performance of the scheme pipeline service provider in relation to—
    - (i) complying with pipeline service standards; and
    - (ii) standards relating to the provision of pipeline services to users or end users; and

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- (iii) the profitability and efficiency of scheme pipeline service providers in providing pipeline services; and
    - (b) if the AER considers it appropriate, deal with the performance of the scheme pipeline service provider in relation to other matters or things if that performance is directly related to the performance or exercise by the AER of an AER economic regulatory function or power.
  - (3) A report prepared under this section may include—
    - (a) information provided to the AER by a person in compliance with a regulatory information instrument; and
    - (b) in the case of a report dealing with the financial performance of 1 or more scheme pipeline service providers, a comparison of the profitability or efficiency of the scheme pipeline service providers to which the report relates from the provision of pipeline services by them.
  - (4) Before preparing a report under this section, the AER must, in accordance with the Rules, consult with the persons or bodies specified by the Rules.
  - (4A) Any information that is used to prepare a report under this section may be used by the AER in preparing any report under the National Energy Retail Law or the National Energy Retail Rules, including (but not limited to) a retail market performance report under Division 2 of Part 12 of that Law.
  - (5) The AER may publish a report prepared under this section on its website.

## **Division 5A            Compliance and performance**

### **64A    References in this Division to service providers**

In this Division, a reference to a service provider includes a reference to a person, other than a service provider, to whom

Chapter 4, or a provision of Chapter 4, applies under section 130.

### **64B Compliance audits by AER**

For the purpose of assessing a service provider's compliance with the requirements of this Law, the Regulations and the Rules, the AER may—

- (a) carry out compliance audits of any or all activities of the service provider; or
- (b) arrange for the carrying out by contractors or other persons of compliance audits on behalf of the AER of any or all activities of the service provider.

### **64C Compliance audits by service providers**

- (1) A service provider must, if required by the AER, carry out a compliance audit in connection with specified aspects of the activities of the service provider in relation to the service provider's compliance with the requirements of this Law, the Regulations and the Rules.
- (2) If the AER requires a service provider to carry out a compliance audit under this section, the service provider may arrange for the audit to be carried out on its behalf by contractors or other persons, but the service provider remains responsible for the audit.
- (3) A service provider must, within a period specified by the AER, provide the AER with the results of a compliance audit carried out under this section.

*Note—*

Subsections (1) and (3) are civil penalty provisions.

### **64D Carrying out of compliance audits**

A compliance audit is to be carried out in accordance with the AER Compliance Procedures and Guidelines.

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### **64E Cost of compliance audits**

- (1) The cost of conducting a compliance audit under section 64B is an amount to be determined in accordance with the AER Compliance Procedures and Guidelines and is recoverable by the AER from the service provider to whom the audit relates.
- (2) The cost of conducting a compliance audit under section 64C is to be borne by the service provider to whom the audit relates.

### **64F AER Compliance Procedures and Guidelines**

- (1) The AER must make procedures and guidelines (*AER Compliance Procedures and Guidelines*) in accordance with the Rules.
- (2) Without limiting subsection (1), the AER Compliance Procedures and Guidelines may provide guidance for service providers about the following matters:
  - (a) compliance with the requirements of this Law, the Regulations and the Rules;
  - (b) the carrying out of compliance audits, and the costs payable by service providers, under this Division.
- (3) The AER Compliance Procedures and Guidelines may include a statement of the AER's compliance priorities.
- (4) The AER may amend the AER Compliance Procedures and Guidelines in accordance with the Rules.
- (5) The AER Compliance Procedures and Guidelines may form part of similar guidelines under this Law, the National Electricity Law or the National Energy Retail Law.

## **Division 6                      Miscellaneous matters**

### **65            Consideration by the AER of submissions or comments made to it under this Law or the Rules**

If, under this Law or the Rules, the AER publishes a notice inviting submissions in relation to the making of an AER economic regulatory decision, the AER, in making the decision—

- (a) must consider every submission it receives within the period specified in the notice; and
- (b) may, but need not, consider a submission it receives after the period specified in the notice expires.

### **66            Use of information provided under a notice under section 42 or a regulatory information instrument**

The AER may use information provided to it by a person in compliance with a notice under section 42 or a regulatory information instrument for any purposes connected with the performance or exercise of a function or power of the AER under—

- (a) this Law or the Rules; or
- (b) the National Electricity Law or the National Electricity Rules; or
- (c) the National Energy Retail Law or the National Energy Retail Rules.

### **67            AER to inform certain persons of decisions not to investigate breaches, institute proceedings or serve infringement notices**

- (1) If the AER is given information by any person in relation to a breach or a possible breach of this Law, the Regulations or the Rules by a person but—
  - (a) decides not to investigate that breach or possible breach; or

- (b) following an investigation, decides not to—
  - (i) institute any proceedings under Chapter 8 in respect of that breach or possible breach; or
  - (ii) serve an infringement notice in accordance with Chapter 8 Part 7 in respect of that breach or possible breach,

the AER must notify that person of that decision in writing.

- (2) This section does not apply if the person gave the information to the AER anonymously.

## **68 AER Guidelines**

- (a1) The AER must prepare guidelines about the exercise of its powers under section 42, including about—
  - (a) the rights and obligations of persons who are served with a relevant notice under that section; and
  - (b) the penalties applying under that section for non-compliance with a notice; and
  - (c) the purposes for which information obtained under that section may be used.
- (1) The AER may prepare guidelines about the matters it will have regard to before—
  - (a) making an application under section 231; or
  - (b) serving an infringement notice under section 277; or
  - (c) accepting an enforceable undertaking under section 230A.
- (2) The AER must publish guidelines prepared under subsection (a1) or (1) on its website.

## **68A Single documentation**

- (1) This section applies if the AER is authorised to prepare a document under this Law or the Rules for a purpose and is

also authorised to prepare a document or documents under any of the following:

- (a) the National Electricity Law;
- (b) the National Electricity Rules;
- (c) the National Energy Retail Law;
- (d) the National Energy Retail Rules,

for the same or a similar, related or corresponding purpose.

- (2) The AER may satisfy the requirements of this Law or the Rules regarding the document under this Law or the Rules by preparing and making (and where relevant publishing) a single document.

*Note—*

See also section 28ZH of the National Electricity Law and section 219 of the National Energy Retail Law.

## **68B Use of information**

- (1) The AER may use the information obtained under this Law or the Rules for a purpose connected with the performance or exercise of a function or power of the AER under any of the following:
  - (a) the National Electricity Law;
  - (b) the National Electricity Rules;
  - (c) the National Energy Retail Law;
  - (d) the National Energy Retail Rules.
- (2) The AER may use the information obtained under any such Law or Rules for a purpose connected with the performance or exercise of a function or power of the AER under this Law or the Rules.
- (3) This section does not limit any other provision of this Law that provides for the use of information obtained under this Law or the Rules.



*Note—*

See also section 28ZI of the National Electricity Law and section 220 of the National Energy Retail Law.

## **Part 2**                      **Functions and powers of the Australian Energy Market Commission**

### **Division 1**                **General**

#### **69**        **Functions and powers of the AEMC**

- (1) The AEMC has the following functions and powers:
  - (a) the Rule making functions and powers conferred on it under this Law and the Regulations;
  - (b) the market development functions conferred on it under this Law and the Rules;
  - (c) any other functions and powers conferred on it under this Law and the Rules.
- (2) The AEMC has power to do all things necessary or convenient to be done for or in connection with the performance of its functions.

#### **70**        **Delegations**

Any delegation by the AEMC under section 20 of the *Australian Energy Market Commission Establishment Act 2004* of South Australia extends to, and has effect for the purposes of, this Law, the Regulations and the Rules.

#### **71**        **Confidentiality**

Section 24 of the *Australian Energy Market Commission Establishment Act 2004* of South Australia has effect for the

purposes of this Law, the Regulations and the Rules as if it formed part of this Law.

*Note—*

See also Chapter 10 Part 2 Division 2.

## **72 AEMC must have regard to national gas objective**

In performing or exercising any function or power under this Law, the Regulations or the Rules, the AEMC must have regard to the national gas objective.

### **72A Targets statement for greenhouse gas emissions targets**

- (1) The AEMC must prepare and maintain a document (the *targets statement*) stating the targets set by a participating jurisdiction mentioned in section 23(b).
- (2) If the MCE or a Minister of a participating jurisdiction gives a written direction to the AEMC to include a target in, or remove a target from, the targets statement, the AEMC must comply with the direction.
- (3) A Minister may give a written direction under subsection (2) only in relation to a target set by the Minister's participating jurisdiction.
- (4) The AEMC must publish on its website—
  - (a) the targets statement; and
  - (b) each direction given under subsection (2).
- (5) In having regard to the national gas objective under this Law, the Regulations or the Rules with respect to the matters mentioned in section 23(b), a person or body must consider, as a minimum, the targets stated in the targets statement.

## **73 AEMC must have regard to MCE statements of policy principles in relation to Rule making and reviews**

The AEMC must have regard to any relevant MCE statement of policy principles—



- (aaa) AEMO's gas trading exchange functions and the operation of a gas trading exchange; and
- (aab) the capacity auction functions of AEMO, the operation of a capacity auction and the activities of transportation service providers and transportation facility users in connection with a capacity auction; and
- (aac) transaction support arrangements; and
- (aad) access to and the provision of operational transportation services; and
- (aa) facilitating and supporting the provision of services to retail customers; and
- (ab) any matter or thing related to, or necessary or expedient for, the purposes of a trial Rule, trial project or trial waiver; and
- (ab) the AER gas price reporting functions; and
- (ac) AEMO's east coast gas system reliability and supply adequacy functions; and
- (b) any matter or thing contemplated by this Law, or necessary or expedient for the purposes of this Law.

*Note—*

The procedure for the making of a Rule by the AEMC is set out in Chapter 9 Part 3.

- (2) Without limiting subsection (1), the AEMC, in accordance with this Law and the Regulations, may make Rules for or with respect to any matter or thing specified in Schedule 1 to this Law.
- (3) Rules made by the AEMC in accordance with this Law and the Regulations may—
  - (a) be of general or limited application;
  - (b) vary according to the persons, times, places or circumstances to which they are expressed to apply;
  - (c) confer functions or powers on, or leave any matter or thing to be decided or determined by—

- (i) the AER, the AEMC or AEMO; or
  - (ii) any panel or committee established by the AEMC;  
or
  - (iii) any other body established, or person appointed, in  
accordance with the Rules;
- (d) confer rights or impose obligations on any person or a  
class of person (other than AEMO, the AER or the  
AEMC);
- (e) confer a function on the AER, the AEMC or AEMO to  
make or issue guidelines, tests, standards, procedures or  
any other document (however described) in accordance  
with the Rules, including guidelines, tests, standards,  
procedures or any other document (however described)  
that leave any matter or thing to be determined by the  
AER, the AEMC or AEMO;
- (f) empower or require any person (other than a person  
referred to in paragraph (e)) or body to make or issue  
guidelines, tests, standards, procedures or any other  
document (however described) in accordance with the  
Rules;
- (fa) provide for Procedures governing the operation of  
regulated gas markets;
- (fb) provide for Procedures governing the operation and  
administration of capacity auctions and transaction  
support arrangements;
- (g) apply, adopt or incorporate wholly or partially, or as  
amended by the Rules, the provisions of any standard,  
rule, specification, method or document (however  
described) formulated, issued, prescribed or published  
by any person, authority or body whether—
- (i) as formulated, issued, prescribed or published at  
the time the Rules are made or at any time before  
the Rules are made; or
  - (ii) as amended from time to time;

- (h) confer a power of direction on the AER, the AEMC or AEMO to require a person conferred a right, or on whom an obligation is imposed, under the Rules to comply with—
  - (i) a guideline, test, standard, procedure or other document (however described) referred to in paragraph (e) or (f); or
  - (ii) a standard, rule, specification, method or document (however described) referred to in paragraph (g);
- (i) if this section authorises or requires Rules that regulate any matter or thing, prohibit that matter or thing or any aspect of that matter or thing;
- (j) provide for the review of, or a right of appeal against, a decision or determination made under the Rules and for that purpose, confer jurisdiction on the Court;
- (k) require a form prescribed by or under the Rules, or information or documents included in, attached to or given with the form, to be verified by statutory declaration;
- (l) in a specified case or class of case, exempt—
  - (i) AEMO; or
  - (ii) a Registered participant or class of Registered participant; or
  - (iii) any other person or body performing or exercising a function or power, or conferred a right, or on whom an obligation is imposed, under the Rules or a class of any such person or body,from complying with a provision, or part of a provision, of the Rules;
- (m) provide for the modification or variation of a provision of the Rules (with or without substitution of a provision of the Rules or part of a provision of the Rules) as it applies to—
  - (i) AEMO; or

- (ii) a Registered participant or class of Registered participant; or
- (iii) any other person or body performing or exercising a function or power, or conferred a right, or on whom an obligation is imposed, under the Rules or a class of any such person or body;
- (n) confer an immunity on, or limit the liability of, any person or body performing or exercising a function or power, or conferred a right, or on whom an obligation is imposed under the Rules;
- (na) require a person or body performing or exercising a function or power, or on whom a right is conferred or an obligation is imposed under the Rules, to indemnify another such person or body;
- (o) contain provisions of a savings or transitional nature consequent on the amendment or revocation of a Rule.

## **75 Rules relating to MCE or Ministers of participating jurisdictions require MCE consent**

The AEMC must not, without the consent of the MCE, make a Rule that confers a right or function, or imposes an obligation, on the MCE or a Minister of a participating jurisdiction.

*Note—*

The term *function* is defined in clause 10 of Schedule 2 to this Law to include “duty”.

## **76 AEMC must not make Rules that create criminal offences or impose civil penalties for breaches**

The AEMC must not make a Rule that—

- (a) creates an offence for a breach of a provision of the Rules; or
- (b) provides for a criminal penalty or civil penalty for a breach of a provision of the Rules.

**77 Documents etc applied, adopted and incorporated by Rules to be publicly available**

- (1) The AEMC must make publicly available—
  - (a) every standard, rule, specification, method or document (however described) formulated, issued, prescribed or published by any person, authority or body that is applied, adopted or incorporated by a Rule; and
  - (b) if a standard, rule, specification, method or document (however described) formulated, issued, prescribed or published by any person, authority or body is applied, adopted or incorporated by a Rule as amended from time to time—any amendment to that standard, rule, specification, method or document.
- (2) For the purposes of subsection (1), the AEMC makes a standard, rule, specification, method or document (however described) formulated, issued, prescribed or published by any person, authority or body applied, adopted or incorporated by any Rule publicly available if the AEMC—
  - (a) publishes the standard, rule, specification, method or document on the AEMC’s website; or
  - (b) specifies a place from which the standard, rule, specification, method or document may be obtained or purchased (as the case requires).

**Division 3 Committees, panels and working groups of the AEMC**

**78 Establishment of committees, panels and working groups**

The AEMC may establish committees, panels and working groups to—

- (a) provide advice on specified aspects of the AEMC’s functions; or



- (b) undertake any other activity in relation to the AEMC's functions as is specified by the AEMC.

## **Division 4                    MCE directed reviews**

### **79            MCE directions**

- (1) The MCE may give a written direction to the AEMC that the AEMC conduct a review into—
  - (a) any matter relating to a market for gas (including services provided in a market for gas); or
  - (b) any matter relating to access to pipelines or to pipeline services provided by means of pipelines; or
  - (c) the operation and effectiveness of the Rules; or
  - (d) any matter relating to the Rules; or
  - (e) the effectiveness of competition in a market for gas for the purpose of giving advice about whether to retain, remove or reintroduce price controls on prices for retail gas services.
- (2) A direction given to the AEMC under this section is binding on the AEMC and must be complied with despite anything to the contrary in the Rules.
- (3) A direction given under this section must be published in the South Australian Government Gazette.
- (4) The AEMC must cause a direction given under this section to be published on its website.

### **80            Terms of reference**

- (1) The terms of reference of a MCE directed review will be as specified in the direction given by the MCE.

*Example—*

The terms of reference may require a MCE directed review to be conducted—

- 1 about a specific matter within a specified time; or
  - 2 whenever a specified event occurs; or
  - 3 on an annual basis.
- (2) Without limiting subsection (1), the MCE may in its direction to the AEMC do 1 or more of the following:
- (a) require the AEMC to give a report on a MCE directed review to the MCE within a specified period;
  - (b) require the AEMC to make the report on a MCE directed review publicly available or available to specified persons or bodies;
  - (c) require the AEMC to make a draft report publicly available or available to specified persons or bodies during a MCE directed review;
  - (d) require the AEMC to consider specified matters in the conduct of a MCE directed review;
  - (e) require the AEMC to have specified objectives in the conduct of a MCE directed review which need not be limited by the national gas objective;
  - (f) require the AEMC to assess a particular matter in relation to services provided in a market for gas against specified criteria or a specified methodology;
  - (g) require the AEMC—
    - (i) to assess a particular matter in relation to services provided in a market for gas; and
    - (ii) to develop appropriate and relevant criteria, or an appropriate and relevant methodology, for the purpose of the required assessment;
  - (h) give the AEMC other specific directions in respect of the conduct of a MCE directed review.

## **81 Notice of MCE directed review**

- (1) The AEMC must publish notice of a MCE directed review on its website.

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- (2) The AEMC must publish a further such notice if a term of reference or a requirement or direction relating to the MCE directed review is varied.

## **82 Conduct of MCE directed review**

Subject to any requirement or direction of the MCE, a MCE directed review—

- (a) may be conducted in such manner as the AEMC considers appropriate; and
- (b) may (but need not) involve public hearings.

## **Division 5 Other reviews**

### **83 Rule reviews by the AEMC**

- (1) The AEMC may conduct a review into—
  - (a) the operation and effectiveness of the Rules; or
  - (b) any matter relating to the Rules.
- (2) A review—
  - (a) may be conducted in such manner as the AEMC considers appropriate; and
  - (b) may (but need not) involve public hearings.
- (3) During the course of a review, the AEMC may—
  - (a) consult with any person or body that it considers appropriate;
  - (b) establish working groups to assist it in relation to any aspect, or any matter or thing that is the subject of, the review;
  - (c) commission reports by other persons on its behalf on any aspect, or matter or thing that is the subject of, the review;
  - (d) publish discussion papers or draft reports.

- (4) At the completion of a review, the AEMC must—
  - (a) give a copy of the report to the MCE; and
  - (b) publish a report or a version of a report from which confidential information has been omitted in accordance with section 331.

## Division 6                      Miscellaneous matters

### 83A      Information and transparency requirements relating to compression service facilities and storage facilities

- (1) Without limiting any other provision, the Rules may provide for such things as—
  - (a) the collection, disclosure, verification, management and publication of information in relation to services that may be provided by means of a compression service facility or a storage facility; and
  - (b) without limiting paragraph (a), requirements about the information that must be provided by a compression service provider or a storage provider (each a *relevant provider*) in relation to access (or potential access) to services provided by means of any compression service facility or storage facility, including information about—
    - (i) the terms and conditions on which the relevant provider is prepared to make the facility available for use by others; and
    - (ii) the procedures that the relevant provider will apply in determining a proposal for access to the facility; and
    - (iii) relevant prices, costs and methodologies associated with gaining access to (and using) a facility and relevant or related services; and
    - (iv) access contracts and arrangements used (or required to be used) by the relevant provider; and

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- (c) without limiting paragraphs (a) and (b), information to be provided by a relevant provider in response to a request for access to services provided by means of a compression service facility or a storage facility; and
  - (d) requirements to ensure that information is accurate and complete; and
  - (e) the imposition or recovery of costs associated with any matter referred to in a preceding paragraph or otherwise associated with facilitating access (or potential access) to services provided by means of a compression service facility or a storage facility.
- (2) Nothing in subsection (1) limits any power to grant an exemption from complying with a provision, or part of a provision, of the Rules.

### **83AA Publication of information relating to compression service facilities and storage facilities**

A person required by the Rules made under section 83A to publish information must do so in accordance with the Rules.

### **83B Standard market timetable**

- (1) Without limiting any other provision, the Rules may provide for a standard market timetable.
- (2) The standard market timetable may do the following:
  - (a) specify the start time of a standard gas day;
  - (b) provide for the times for nominations and renominations for the use of transportation services and deliveries or receipts of natural gas;
  - (c) provide for the circumstances in which the standard market timetable must be used, which may include provision in relation to any of the following:
    - (i) transportation services;
    - (ii) the supply, production or storage of natural gas;

- (iii) the measurement and allocation of deliveries or receipts of natural gas;
  - (iv) a regulated gas market, a gas trading exchange and a capacity auction.
- (3) Without limiting any other provision, the Rules may require a person of the following kind to use the standard market timetable in accordance with the Rules:
  - (a) a transportation service provider;
  - (b) a transportation facility user;
  - (c) a person who measures, or determines the allocation of, deliveries or receipts of natural gas;
  - (d) a producer;
  - (e) a storage provider;
  - (f) any other person of a kind prescribed by the Regulations for the purposes of this subsection.

### **83C Use of the standard market timetable**

A person required by the Rules to use the standard market timetable must do so in accordance with the Rules.

### **83D False or misleading statements**

A person of the following kind must not, in connection with the supply or possible supply of goods and services, make a false or misleading representation concerning the effect of a requirement for the person to use the standard market timetable on the price for the supply of the goods or services:

- (a) a transportation service provider;
- (b) a transportation facility user;
- (c) a person who measures, or determines the allocation of, deliveries or receipts of natural gas;
- (d) a producer;

- (e) a storage provider;
- (f) any other person of a kind prescribed by the Regulations for the purposes of section 83B(3)(f).

Maximum penalty:

- (a) in the case of a natural person—\$3 400;
- (b) in the case of a body corporate—\$17 000.

*Note—*

See Schedule 2 clause 47B, which provides for criminal penalty amounts to be adjusted every 3 years to reflect movements in the consumer price index. The adjusted amounts are published on the AER's website.

#### **84 AEMC must publish and make available up to date versions of Rules**

The AEMC must, at all times—

- (a) maintain, on its website, a copy of the National Gas Rules, as in force from time to time; and
- (b) make copies of the National Gas Rules, as in force from time to time, available to the public for inspection at its offices during business hours.

#### **85 Fees**

- (1) The AEMC may charge a fee specified, or a fee calculated in accordance with a formula or methodology specified, in the Regulations for services provided by it in performing or exercising any of its functions or powers under this Law, the Regulations or the Rules.
- (2) The fee must not be such as to amount to taxation.

#### **86 Immunity from personal liability of AEMC officials**

- (1) No personal liability attaches to an AEMC official for an act or omission in good faith in the performance or exercise, or

purported performance or exercise of a function or power under this Law, the Regulations or the Rules.

(2) A liability that would, but for subsection (1), lie against an AEMC official lies instead against the AEMC.

(3) In this section—

*AEMC official* means—

- (a) a member of the AEMC;
- (b) the chief executive of the AEMC;
- (c) a member of staff appointed by the AEMC.

## **Part 3**

# **Functions and powers of Ministers of participating jurisdictions**

### **87 Functions and powers of Minister of this participating jurisdiction under this Law**

(1) The Minister of this participating jurisdiction has the functions and powers conferred on him or her under this Law, the Regulations or the Rules.

(2) The Minister of this participating jurisdiction has power to do all things necessary or convenient to be done for or in connection with the performance of his or her functions.

(3) In this section—

*Minister of this participating jurisdiction* means the Minister that administers the Act of this jurisdiction that applies this Law or a part of this Law as a law of this jurisdiction—see section 22(b).



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## **Part 5                      Functions and powers of    Tribunal**

### **91            Functions and powers of Tribunal under this Law**

- (1) The Tribunal has the functions and powers conferred on it under Chapter 8 Part 5 and any Regulations made for the purposes of that Division.
- (2) The Tribunal has power to do all things necessary or convenient to be done for or in connection with the performance of its functions.

## **Part 6                      Role of AEMO under National    Gas Law**

### **Division 1                General**

#### **91A    AEMO's statutory functions**

- (1) AEMO has the following functions:
  - (a) to operate and administer markets for natural gas in accordance with this Law, the Rules and the Procedures;
  - (b) to promote the development, and improve the effectiveness of the operation and administration of, gas markets;
  - (ba) conduct trials relating to the operation and administration of markets, or parts of markets, capacity auctions and transaction support arrangements for natural gas that are or will be governed by this Law, the Rules and the Procedures;
  - (c) to register persons as Registered participants;
  - (d) to exempt certain persons from being registered as Registered participants;

- (e) to facilitate retail customer transfer, metering and retail competition (including balancing, allocation and reconciliation of gas deliveries and withdrawals to and from subnetworks);
- (ea) the east coast gas system reliability and supply adequacy functions;
- (f) for an adoptive jurisdiction—the declared system functions or STTM functions (as the case requires);
- (g) to make, amend or revoke Procedures;
- (ga) the gas trading exchange functions;
- (gb) the capacity auction functions;
- (gc) to establish, operate and administer transaction support arrangements;
- (h) to operate and maintain the Natural Gas Services Bulletin Board;
- (i) to prepare, periodically review, revise, and publish the gas statement of opportunities;
- (j) to investigate breaches or possible breaches of the Procedures;
- (k) any functions conferred by jurisdictional gas legislation or an application Act;
- (l) any other functions conferred under this Law, the Rules or the Procedures.

*Notes—*

- 1 AEMO has additional functions under its Constitution.
- 2 It should be noted that AEMO's statutory functions include its functions under the National Electricity Law and the National Electricity Rules: see definition of statutory functions in section 2.
- 3 AEMO also has responsibilities, under Part 4 of the *Australian Energy Market Commission Establishment Act 2004* of South Australia, related to administrative costs associated with the work of the Consumer Advocacy Panel.

- 4 AEMO has additional functions and powers under the National Energy Retail Law and the National Energy Retail Rules.
- (2) AEMO must, in carrying out functions referred to in this section have regard to the national gas objective.

### **91AB AEMO's power to carry out statutory functions**

AEMO has the power to do all things necessary or convenient for or in connection with its statutory functions.

### **91AC Delegation**

- (1) Subject to subsection (2) and the Rules, AEMO may delegate any of its functions or powers under this Law, the Rules or the Procedures to—
- (a) a director, officer or employee of AEMO; or
  - (b) a member of a committee established by AEMO.
- (2) However, a function or power classified by the Regulations as non-delegable cannot be delegated.
- (3) A delegate may, subject to AEMO's directions, subdelegate a delegated function or power to a director, officer or employee of AEMO.
- (4) A delegate (or subdelegate) must comply with any direction given by AEMO that is relevant to the exercise of the delegated functions or powers.

## **Division 1A AEMO's east coast gas system reliability and supply adequacy functions**

### **91AD AEMO's east coast gas system reliability and supply adequacy functions**

- (1) AEMO's east coast gas system reliability and supply adequacy functions are as follows:

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- (a) to monitor trends in the supply of, and demand for, natural gas in the east coast gas system and factors affecting, or that may potentially affect, the reliability or adequacy of the supply of gas within that system;
  - (b) to identify and communicate actual or potential risks or threats to the reliability or adequacy of the supply of natural gas within the east coast gas system;
  - (c) to report to and advise the MCE, including a member of the MCE, on matters relating to the reliability or adequacy of the supply of natural gas within the east coast gas system;
  - (d) to publish information relating to the reliability or adequacy of the supply of natural gas within the east coast gas system;
  - (e) to give directions to relevant entities to the extent AEMO considers necessary to maintain and improve the reliability or adequacy of the supply of natural gas within the east coast gas system;
  - (f) to trade in natural gas or to purchase pipeline services or services provided by a compression service provider or a storage provider to the extent AEMO considers necessary to maintain and improve the reliability or adequacy of the supply of natural gas within the east coast gas system;
  - (g) other functions conferred on AEMO by the Rules for the purposes of this section;
  - (h) to make, amend or revoke Procedures (*East Coast Gas System Procedures*) relating to a function specified in paragraphs (a) to (g).
- (2) AEMO must not exercise the function specified in subsection (1)(f) unless AEMO is of the opinion that the trade or purchase is necessary to prevent, reduce or mitigate an actual or potential threat identified by AEMO in the exercise of the function specified in subsection (1)(b).
- (3) AEMO must, within 3 months after the commencement of this section—

- (a) prepare, in accordance with the Rules, guidelines relating to the exercise or performance of the functions specified in subsection (1)(e) and (f); and
  - (b) publish the guidelines on its website.
- (4) The Regulations may specify the following:
- (a) the relationship between the operation of this Division, or a provision of this Division, and a law of a participating jurisdiction, in the event of an inconsistency;
  - (b) the extent to which a relevant entity is or is not required to comply with an east coast gas system direction in circumstances where the direction is inconsistent with a law of a participating jurisdiction;
  - (c) the extent to which an east coast gas system direction is not valid in circumstances where the direction is inconsistent with a law of a participating jurisdiction.
- (5) The Rules may specify the following:
- (a) the matters that AEMO may or must consider in determining there is or is not an actual or potential threat to the reliability or adequacy of the supply of natural gas within the east coast gas system;
  - (b) the kinds of directions that AEMO may or may not give under this section;
  - (c) the matters that AEMO may or must consider in determining whether to exercise a function specified in subsection (1)(e) or (f).

**91AE AEMO to account to relevant Minister for performance of east coast gas system reliability and supply adequacy functions**

- (1) AEMO must, at the written request of a Minister of a participating jurisdiction that is an east coast jurisdiction, provide information about the performance of its east coast gas system reliability and supply adequacy functions in relation to that jurisdiction.

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- (2) AEMO must, at the written request of the MCE, provide information about the performance of its east coast gas system reliability and supply adequacy functions in accordance with the request.
- (3) Protected information provided in response to a request under this section must be identified as such by AEMO at the time of providing the information.
- (4) No fee is to be charged for the provision of information under this section.

### **91AF AEMO's power of direction—east coast gas system reliability and supply adequacy**

- (1) AEMO may give a written direction (an *east coast gas system direction*) to a relevant entity for 1 or more of the following purposes:
  - (a) to maintain and improve the reliability of the supply of natural gas within the east coast gas system;
  - (b) to maintain and improve the adequacy of the supply of natural gas within the east coast gas system.
- (2) A direction must not be given under subsection (1) unless AEMO is of the opinion that the giving of the direction is necessary to prevent, reduce or mitigate an actual or potential threat identified by AEMO in the exercise of the function specified in section 91AD(1)(b).
- (3) Without limiting subsection (1), an east coast gas system direction may relate to 1 or more of the following:
  - (a) the operation, maintenance or use of any equipment or installation;
  - (b) the control of the flow of natural gas;
  - (c) any other matter that may affect the reliability or adequacy of the supply of natural gas within the east coast gas system.
- (4) An east coast gas system direction may apply, adopt or incorporate (with or without modification) a relevant code of

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practice or standard (made in or outside Australia) as in force or existing when the direction is made or as in force or existing from time to time.

- (5) A prohibition imposed by an east coast gas system direction may be either unconditional or subject to conditions stated in the direction.
- (6) A person to whom an east coast gas system direction applies must comply with the direction to the extent to which compliance is consistent with a law of a participating jurisdiction applying to the person.
- (7) A person incurs no civil monetary liability for damage, loss or injury resulting from an act or omission done or made in good faith and in compliance or purported compliance with an east coast gas system direction.
- (8) In this section—

*relevant entity* means the following, excluding a small customer:

- (a) a Registered participant;
- (b) an exempted participant;
- (c) a producer who injects natural gas into the east coast gas system;
- (d) a person who buys or sells natural gas in the east coast gas system;
- (e) a gas powered generator;
- (f) a storage provider whose storage facility is connected to the east coast gas system;
- (g) a person who provides pipeline, transport, compression or other related services in, into or out of the east coast gas system;
- (h) a person specified as a relevant entity by the Rules;

*small customer* means—

- (a) a small customer within the meaning of section 5(2) of the National Energy Retail Law; and

- (b) a relevant customer within the meaning of the Order made under section 43 of the *Gas Industry Act 2001* of Victoria and published in the Victoria Government Gazette on 25 November 2008.

### **91AG East Coast Gas System Procedures**

- (1) The East Coast Gas System Procedures may deal with the following matters:
  - (a) the matters specified by the Rules;
  - (b) any other matter relevant to AEMO's east coast gas system reliability and supply adequacy functions on which this Law or the Rules contemplate the making of Procedures.
- (2) The East Coast Gas System Procedures—
  - (a) may vary according to the persons, times, places or circumstances to which they are expressed to apply; and
  - (b) may confer functions or powers on, or leave any matter or thing to be decided by, AEMO; and
  - (c) may confer rights or impose obligations on relevant entities; and
  - (d) may require a relevant entity to give an indemnity against injury, damage or loss arising from the entity's failure to comply with requirements imposed by the Procedures; and
  - (e) may confer power on AEMO to make or issue guidelines, tests, standards and other documents of an administrative nature; and
  - (f) may confer power on AEMO to require a person on whom a right is conferred, or an obligation imposed, under the Procedures—
    - (i) to comply with a guideline, standard or other document of an administrative nature; or



- (ii) to conduct, or submit to, a test designed by AEMO; and
  - (g) may exempt, or confer a power of exemption, from the application of the Procedures or specified provisions of the Procedures; and
  - (h) may contain provisions of a savings or transitional nature.
- (3) AEMO must not, without the consent of the MCE, make East Coast Gas System Procedures that confer a right or function, or impose an obligation, on the MCE or a Minister of a participating jurisdiction.
- (4) The East Coast Gas System Procedures must not—
  - (a) create an offence; or
  - (b) provide for a criminal or civil penalty.

### **91AH Compliance with East Coast Gas System Procedures**

- (1) AEMO and each person to whom the East Coast Gas System Procedures are applicable must comply with those Procedures.
- (2) If AEMO has reasonable grounds to suspect a breach of the East Coast Gas System Procedures, it must, after making such inquiries and investigation as it considers appropriate, make a decision as to whether the breach is a material breach.
- (3) If AEMO decides the breach is material, AEMO—
  - (a) must publish the decision and the reasons for it on its website; and
  - (b) may direct the person suspected of the breach to rectify it or to take specified measures to ensure future compliance (or both); and
  - (c) may refer the breach to the AER.
- (4) A direction by AEMO under subsection (3)(b) must—
  - (a) specify the breach; and

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- (b) specify the date by which the direction must be complied with; and
  - (c) be addressed to, and given to, the person suspected of the breach.
- (5) A person to whom a direction is given under subsection (3)(b) must comply with the direction.
- (6) AEMO must give a copy of its decision under subsection (2), its reasons for the decision and (if relevant) any direction under subsection (3)(b) to the AER.
- (7) If AEMO decides the breach is not material, AEMO must—
- (a) publish the decision and the reasons for the decision on its website; and
  - (b) give a copy of the decision and the reason for the decision to the AER.

*Note—*

AEMO may provide the AER with relevant information, including protected information, related to a suspected breach of the Procedures. For disclosure of protected information, see section 91GC(2)(b).

## **Division 2                    AEMO’s declared system functions**

### **Subdivision 1            Preliminary**

#### **91B    Application of this Division**

- (1) This Division applies to, and in relation to, a participating jurisdiction if (and only if) the application Act of that jurisdiction, or an instrument made under that Act, declares that it does so apply.
- (2) In this Division—
- (a) a reference to a storage provider extends to a declared LNG storage provider; and

- (b) a reference to natural gas extends to liquefied natural gas stored by the declared LNG storage provider.
- (3) A rule or other form of subordinate legislation made for the purposes of this Division applies to and in relation to a participating jurisdiction if (and only if) this Division applies to and in relation to that jurisdiction.

### **91BA AEMO's declared system functions**

- (1) AEMO's declared system functions are as follows:
  - (a) to determine security standards for the declared transmission system;
  - (b) to control the operation and security of the declared transmission system;
  - (c) to monitor and review the capacity of the declared transmission system and the trends in demand for the injection of gas into, and the withdrawal of gas from, that system;
  - (d) to provide information and other services to facilitate decisions for economically efficient investment in markets for natural gas;
  - (e) to coordinate the interaction of producers, storage providers and service providers for ensuring a safe, secure, reliable and efficient declared transmission system;
  - (f) to operate and administer the declared wholesale gas market;
  - (g) to make, amend or revoke Procedures governing the operation and administration of the declared wholesale gas market.
- (2) AEMO may trade in natural gas or purchase pipeline services or services provided by a compression service provider or a storage provider—

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- (a) to the extent necessary or desirable for the safety, security or reliability of a declared transmission system;  
or
  - (b) in an emergency.
- (3) AEMO may, subject to the Rules, suspend a declared wholesale gas market.

### **91BB AEMO to account to relevant Minister for performance of declared system functions**

- (1) AEMO must, at the written request of the Minister of an adoptive jurisdiction, provide information about the performance of its declared system functions with respect to that jurisdiction.
- (2) Protected information provided in response to a request under subsection (1) must be identified as such by AEMO at the time of providing the information.
- (3) No fee is to be charged for the provision of information under this section.

## **Subdivision 2 Power of direction**

### **91BC AEMO's power of direction**

- (1) AEMO may give written directions to a Registered participant (or an exempted participant) with respect to the declared transmission system or a declared distribution system for 1 or more of the following purposes:
  - (a) to maintain and improve the reliability of the supply of natural gas;
  - (b) to maintain and improve the security of the declared transmission system or a declared distribution system;
  - (c) in the interests of public safety.
- (2) A direction under this section—

- (a) may relate to—
    - (i) the operation or use of any equipment or installation; or
    - (ii) the control of the flow of natural gas; or
    - (iii) any other matter that may affect the safety, security or reliability of the declared transmission system or a declared distribution system; but
  - (b) must be consistent with other legislation (including subordinate legislation) relevant to safety in the adoptive jurisdiction but may be contrary to a provision of the Rules or the Procedures.
- (3) A direction under this section may apply, adopt or incorporate (with or without modification) a relevant code of practice or standard (made in or outside Australia) as in force or existing when the direction is made or as in force or existing from time to time.
- (4) A prohibition imposed by a direction under this section may be either unconditional or subject to conditions stated in the direction.
- (5) A person to whom a direction under this section applies must comply with the direction.

Maximum penalty:

- (a) in the case of a natural person—\$34 000;
- (b) in the case of a body corporate—\$170 000.

*Note—*

See Schedule 2 clause 47B, which provides for criminal penalty amounts to be adjusted every 3 years to reflect movements in the consumer price index. The adjusted amounts are published on the AER's website.

- (6) A person who fails to comply with a direction under this section within the period allowed in the direction commits a further offence for every day the non-compliance continues after the end of that period and is liable to a further penalty of \$17 000 for each such offence.

*Note—*

See Schedule 2 clause 47B, which provides for criminal penalty amounts to be adjusted every 3 years to reflect movements in the consumer price index. The adjusted amounts are published on the AER's website.

## **91BD Protection from liability**

A person incurs no civil monetary liability for damage, loss or injury resulting from an act or omission done or made in good faith and in compliance or purported compliance with a direction under this Subdivision.

## **Subdivision 3 AEMO's relationship with transmission system service providers and facility owners**

### **91BE Service envelope agreement between AEMO and transmission pipeline service provider**

- (1) The service provider for the declared transmission system must have an agreement (a *service envelope agreement*) with AEMO for the control, operation, safety, security and reliability of the declared transmission system.
- (2) Under the service envelope agreement, the service provider makes the declared transmission system available to AEMO (and, in doing so, provides a pipeline service).
- (3) The service envelope agreement must—
  - (a) state the capacity of the declared transmission system to be available to AEMO (or how that capacity is to be calculated) at points of injection or withdrawal under the various operating conditions that are likely to prevail from time to time; and
  - (b) deal with any other matters required by the Rules.
- (4) The AER may, on application by AEMO or a service provider for the declared transmission system, make a determination to

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resolve a dispute arising from an attempt to negotiate a service envelope agreement or an amendment to a service envelope agreement.

- (5) The AER may only make a determination under this section if—
  - (a) the AER is satisfied that the applicant has made a reasonable, but unsuccessful, attempt to negotiate the agreement or amendment; and
  - (b) the AER has given AEMO and all service providers for the declared transmission system that are to be affected by the determination an opportunity to make representations about the terms of the proposed determination.
- (6) A determination under this section may determine the terms and conditions of the service envelope agreement or the amendment.
- (7) If the AER determines the terms and conditions of a service envelope agreement or an amendment to a service envelope agreement, a service envelope agreement is taken to arise, or the service envelope agreement is taken to be amended, in accordance with the AER's determination.
- (8) A determination under this section takes effect on a date specified in the determination.
- (9) A determination under this section must be published on AEMO's website.

### **91BF Interconnection with facilities**

- (1) A person must not connect a facility to the declared transmission system unless the person—
  - (a) has AEMO's permission to do so; or
  - (b) is authorised to do so by an access determination.
- (2) A *facility* includes—
  - (a) a pipeline;

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- (b) a facility for storing natural gas, processable gas or LNG;
- (c) a gas fired electricity generator;
- (d) any other plant or equipment that could have a material impact on the operation of the declared transmission system.

### **91BG Operating agreement between AEMO and facility owner**

- (1) AEMO may require, as a condition of permitting the connection of a facility to the declared transmission system, that the facility owner enter into an agreement (an *operating agreement*) with AEMO relating to the operation of that facility.
- (2) An operating agreement may deal (amongst other things) with the following:
  - (a) the balancing, monitoring and regulation of gas flows between the declared transmission system and the facility;
  - (b) the scheduling of gas flows;
  - (c) the maintenance of a balancing account;
  - (d) the provision of operational information;
  - (e) operating pressures;
  - (f) the safety, security and reliability of the declared transmission system and the facility;
  - (g) emergency arrangements.
- (3) The AER may make a determination under this section (an *operating agreement determination*)—
  - (a) on application by AEMO or a facility owner to resolve a dispute arising from an attempt to negotiate an operating agreement or an amendment to an operating agreement; or
  - (b) in the course of proceedings to resolve an access dispute.



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- (4) The AER may only make an operating agreement determination on an application under subsection (3)(a) if—
    - (a) the AER is satisfied that the applicant has made a reasonable, but unsuccessful, attempt to negotiate the agreement or amendment; and
    - (b) the AER has given AEMO and all service providers for the declared transmission system that are to be affected by the determination an opportunity to make representations about the terms of the proposed determination.
  - (5) An operating agreement determination may determine the terms and conditions of the operating agreement or the amendment.
  - (6) If the AER determines the terms and conditions of an operating agreement or an amendment to an operating agreement, an operating agreement is taken to arise, or the operating agreement is taken to be amended, in accordance with the AER's determination.
  - (7) An operating agreement determination takes effect on a date specified in the determination.
  - (8) An operating agreement determination must be published on AEMO's website.

### **91BH General principles governing determinations**

- (1) A determination under this Division must be compatible with the proper performance of AEMO's declared system functions.
- (2) In determining a dispute about a service envelope agreement, an operating agreement, or an amendment to a service envelope agreement or operating agreement, the AER must have regard to the allocation of powers and functions between AEMO and the relevant declared transmission system operator and to the Rules so far as they are relevant to—
  - (a) the allocation of risk under such an agreement; or

[s 91BI]

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- (b) the provision of services by means of, or in connection with, the declared transmission system; or
  - (c) any other matter that has a bearing on the subject matter of the agreement.
- (3) A determination cannot alter the allocation of risk under an existing service envelope agreement or an existing operating agreement unless AEMO agrees.
- (4) The provisions applicable to the determination of an access dispute apply to a determination by the AER under this Division with the following changes:
- (a) sections 163 to 166 and section 169(1)(b)(i), (iv) and (2) do not apply; and
  - (b) any further changes necessary to adapt those provisions to the determination of a dispute under this Division.

## **Subdivision 4      Declared wholesale gas market**

### **91BI    Market participation**

A person participates in a declared wholesale gas market in a registrable capacity if the person is—

- (a) a service provider for the declared transmission system or for a declared distribution system; or
- (b) a producer that injects natural gas into the declared transmission system; or
- (c) a storage provider whose storage facility is connected to the declared transmission system; or
- (d) a person who buys or sells natural gas in the declared wholesale gas market; or
- (e) a person classified by the Rules as a participant in the declared wholesale gas market.

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### **91BJ Registration required for market participation**

- (1) A person must not participate in a declared wholesale gas market in a registrable capacity unless registered (or exempted from registration) in accordance with the Rules.
- (2) A person may also be exempted from registration by or under jurisdictional gas legislation.
- (3) A person who participates in a declared wholesale gas market in 2 or more registrable capacities must be registered (or exempted from registration) in both or all those capacities.
- (4) For performing statutory functions, AEMO is not required to be registered.

### **91BK Certificates of registration etc**

- (1) A certificate signed by an authorised officer certifying that a person named in the certificate is registered, or exempted from registration, is evidence of the registration or exemption.
- (2) For this section, an *authorised officer* is AEMO's CEO or a person authorised by the CEO to issue certificates under this section.

## **Subdivision 5 Wholesale Market Procedures**

### **91BL Wholesale Market Procedures**

AEMO may, in accordance with the Rules, make Wholesale Market Procedures.

### **91BM Nature of Wholesale Market Procedures**

- (1) Wholesale Market Procedures are a form of statutory instrument directed at the regulation of a declared wholesale gas market.
- (2) The Wholesale Market Procedures may deal with the following matters:

- (a) the matters specified by the Rules;
  - (b) any other matter relevant to a declared wholesale gas market on which this Law or the Rules contemplate the making of Procedures.
- (3) The Wholesale Market Procedures—
- (a) may vary according to the persons, times, places or circumstances to which they are expressed to apply; and
  - (b) may confer functions or powers on, or leave any matter or thing to be decided by, AEMO; and
  - (c) may confer rights or impose obligations on Registered participants, exempted participants, or other persons; and
  - (d) may require a Registered participant or an exempted participant to give an indemnity against injury, damage or loss arising from the participant's failure to comply with requirements imposed by the Procedures; and
  - (e) may confer power on AEMO to make or issue guidelines, tests, standards and other documents of an administrative nature; and
  - (f) may confer power on AEMO to require a person on whom a right is conferred, or an obligation imposed, under the Procedures—
    - (i) to comply with a guideline, standard or other document of an administrative nature; or
    - (ii) to conduct, or submit to, a test designed by AEMO; and
  - (g) may exempt, or confer a power of exemption, from the application of the Procedures or specified provisions of the Procedures; and
  - (h) may contain provisions of a savings or transitional nature.
- (4) AEMO must not, without the consent of the MCE, make Wholesale Market Procedures that confer a right or function,

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or impose an obligation, on the MCE or a Minister of a participating jurisdiction.

- (5) The Wholesale Market Procedures cannot—
- (a) create an offence; or
  - (b) provide for a criminal or civil penalty.

### **91BN Compliance with Wholesale Market Procedures**

- (1) AEMO and each person to whom the Wholesale Market Procedures are applicable must comply with those Procedures.
- (2) If AEMO has reasonable grounds to suspect a breach of the Wholesale Market Procedures, it must, after making such inquiries and investigation as it considers appropriate, make a decision as to whether the breach is a material breach.
- (3) If AEMO decides the breach is material, AEMO—
  - (a) must publish the decision and the reasons for it on its website; and
  - (b) may direct the person suspected of the breach to rectify it or to take specified measures to ensure future compliance (or both); and
  - (c) may refer the breach to the AER.
- (4) A direction by AEMO under subsection (3)(b) must—
  - (a) specify the breach; and
  - (b) specify the date by which the direction is to be complied with; and
  - (c) be addressed to, and given to, the person suspected of the breach.
- (5) A person to whom a direction is given under subsection (3)(b) must comply with the direction.
- (6) AEMO must give a copy of its decision under subsection (2), its reasons for the decision and (if relevant) any direction under subsection (3)(b) to the AER.

- (7) If AEMO decides the breach is not material, AEMO must—
- (a) publish the decision and the reasons for it on its website; and
  - (b) give a copy of the decision and the reasons for it to the AER.

*Note—*

AEMO may provide the AER with relevant information (including protected information) related to a suspected breach of the Procedures. (For disclosure of protected information, see section 91GC(2)(b).)

## **Subdivision 6      Ownership of gas in declared transmission system**

### **91BO Ownership of gas**

- (1) AEMO must establish rules (the *ownership rules*) for determining the ownership of gas in the declared transmission system and for resolving disputes about ownership.
- (2) The ownership rules are to form part of the Wholesale Market Procedures.
- (3) Subject to the ownership rules, gas injected into the declared transmission system remains the property of the person that injected it or, if that person was acting as an agent, that person's principal.
- (4) A dispute about the ownership of gas in the declared transmission system is to be determined in accordance with the Rules.

### **91BP Title to gas**

A Registered participant or an exempted participant must not inject gas into, or tender gas for injection into, the declared transmission system unless—

- (a) the participant has title to the gas, or authority to dispose of title to the gas; and

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- (b) the gas will, at the point of injection into the declared transmission system, be free from any mortgage, charge or encumbrance.

## Subdivision 7 Immunity

### 91BQ Immunity

- (1) A protected person incurs no civil monetary liability—
- (a) for failing to accept gas for injection into, or to make gas available for withdrawal from, the declared transmission system; or
- (b) for failing to make the declared transmission system available to accept the injection of gas into it, or the withdrawal of gas from it,

if the failure arises out of an accident or cause beyond the protected person's control.

- (2) A protected person may, by written agreement with another person, limit or exclude the operation of subsection (1) in relation to the parties to the agreement.
- (3) In this section—

*protected person* means—

- (a) AEMO; or
- (b) a service provider for the whole or part of the declared transmission system.

### 91BR Immunity in dealing with an emergency

Neither AEMO nor an officer or employee of AEMO incurs any civil monetary liability for an act or omission directed at dealing with an emergency unless the act or omission is done or made in bad faith.

## **Division 2A          Short term trading markets**

### **Subdivision 1        Preliminary**

#### **91BRA Application of this Division**

- (1) This Division applies to, and in relation to, a participating jurisdiction if (and only if) the application Act of that jurisdiction, or an instrument made under that Act, declares that it does so apply.
- (2) A rule or other form of subordinate legislation made for the purposes of this Division applies to and in relation to a participating jurisdiction if (and only if) this Division applies to and in relation to that jurisdiction.

#### **91BRB AEMO's STTM functions**

- (1) AEMO's STTM functions are as follows:
  - (a) to operate and administer a short term trading market;
  - (b) to make, amend or revoke Procedures governing the operation and administration of a short term trading market.
- (2) AEMO may trade in natural gas to the extent necessary or desirable to provide market operator services.
- (3) AEMO may, subject to the Rules, suspend a short term trading market.

### **Subdivision 2        Short term trading markets**

#### **91BRC Market participation**

A person participates in a short term trading market in a registrable capacity if the person is—

- (a) a person who supplies natural gas to an STTM hub; or



- (b) a person who withdraws natural gas from an STTM hub;  
or
- (c) a person classified by the Rules as a participant in a short term trading market.

### **91BRD Registration required for market participation**

- (1) A person must not participate in a short term trading market in a registrable capacity unless registered (or exempted from registration) in accordance with the Rules.
- (2) A person who participates in a short term trading market in 2 or more registrable capacities must be registered (or exempted from registration) in both or all those capacities.
- (3) For performing statutory functions, AEMO is not required to be registered.

### **91BRE Certificates of registration etc**

- (1) A certificate signed by an authorised officer certifying that a person named in the certificate is registered, or exempted from registration, is evidence of the registration or exemption.
- (2) For this section, an *authorised officer* is AEMO's CEO or a person authorised by the CEO to issue certificates under this section.

### **91BRF Title to gas**

An STTM trading participant must not supply natural gas to an STTM hub unless—

- (a) the participant has title to the gas, or authority to dispose of title to the gas; and
- (b) the gas will, at the point of supply, be free from any mortgage, charge or encumbrance.

### **91BRG Gas supplied to STTM hub must meet quality specifications specified in the Rules**

An STTM trading participant must not supply natural gas to an STTM hub that does not comply with the gas quality specifications specified in the Rules for that STTM hub.

## **Subdivision 3 STTM Procedures**

### **91BRH STTM Procedures**

AEMO may, in accordance with the Rules, make STTM Procedures.

### **91BRI Nature of STTM Procedures**

- (1) STTM Procedures are a form of statutory instrument directed at the regulation of a short term trading market.
- (2) The STTM Procedures may deal with the following matters:
  - (a) the matters specified by the Rules;
  - (b) any other matter relevant to a short term trading market on which this Law or the Rules contemplate the making of Procedures.
- (3) The STTM Procedures—
  - (a) may vary according to the persons, times, places or circumstances to which they are expressed to apply; and
  - (b) may confer functions or powers on, or leave any matter or thing to be decided by, AEMO; and
  - (c) may confer rights or impose obligations on STTM trading participants, exempted participants, or other persons; and
  - (d) may confer power on AEMO to make or issue guidelines, tests, standards and other documents of an administrative nature; and

- (e) may confer power on AEMO to require a person on whom a right is conferred, or an obligation imposed, under the Procedures—
    - (i) to comply with a guideline, standard or other document of an administrative nature; or
    - (ii) to conduct, or submit to, a test designed by AEMO; and
  - (f) may exempt, or confer a power of exemption, from the application of the Procedures or specified provisions of the Procedures; and
  - (g) may contain provisions of a savings or transitional nature.
- (4) AEMO must not, without the consent of the MCE, make STTM Procedures that confer a right or function, or impose an obligation, on the MCE or a Minister of a participating jurisdiction.
- (5) The STTM Procedures cannot—
- (a) create an offence; or
  - (b) provide for a criminal or civil penalty.

### **91BRJ Compliance with STTM Procedures**

- (1) AEMO and each person to whom the STTM Procedures are applicable must comply with those Procedures.
- (2) If AEMO has reasonable grounds to suspect a breach of the STTM Procedures, it must, after making such inquiries and investigation as it considers appropriate, make a decision as to whether the breach is a material breach.
- (3) If AEMO decides the breach is material, AEMO—
  - (a) must publish the decision and the reasons for it on its website; and
  - (b) may direct the person suspected of the breach to rectify it or to take specified measures to ensure future compliance (or both); and

- (c) may refer the breach to the AER.
- (4) A direction by AEMO under subsection (3)(b) must—
  - (a) specify the breach; and
  - (b) specify the date by which the direction is to be complied with; and
  - (c) be addressed to, and given to, the person suspected of the breach.
- (5) A person to whom a direction is given under subsection (3)(b) must comply with the direction.
- (6) AEMO must give a copy of its decision under subsection (2), its reasons for the decision and (if relevant) any direction under subsection (3)(b) to the AER.
- (7) If AEMO decides the breach is not material, AEMO must—
  - (a) publish the decision and the reasons for it on its website; and
  - (b) give a copy of the decision and the reasons for it to the AER.

*Note—*

AEMO may provide the AER with relevant information (including protected information) related to a suspected breach of the Procedures. (For disclosure of protected information, see section 91GC(2)(b).)

## **Division 2B                      Gas trading exchanges**

### **91BRK AEMO's gas trading exchange functions**

- (1) AEMO's gas trading exchange functions are as follows:
  - (a) to establish, operate and administer 1 or more gas trading exchanges;
  - (b) to appoint, in accordance with the Rules, another person to operate a gas trading exchange;

- (c) in relation to a gas trading exchange, to make and administer a gas trading exchange agreement for the purposes of the exchange.
- (2) AEMO may trade in natural gas to the extent necessary or desirable for the efficient operation of a gas trading exchange after taking into account any provision made by or under the gas trading exchange agreement that applies in relation to the exchange.
- (3) AEMO may, subject to the Rules and the relevant gas trading exchange agreement, suspend trading on a gas trading exchange.

### **91BRL Gas trading exchange not to constitute a regulated gas market**

A gas trading exchange is not a regulated gas market.

## **Division 2C                      Capacity auctions for transportation services**

### **91BRM AEMO's capacity auction functions**

- (1) AEMO's capacity auction functions are as follows:
  - (a) to establish, operate and administer 1 or more capacity auctions;
  - (b) in relation to a capacity auction, to make and administer capacity auction agreements;
  - (c) to make, amend or revoke Procedures governing the operation and administration of a capacity auction.
- (2) AEMO may, subject to the Rules and Procedures, suspend a capacity auction.

## **91BRN Capacity auctions not to constitute a regulated gas market**

A capacity auction is not a regulated gas market.

## **Division 2D Capacity Transfer and Auction Procedures**

### **91BRO Making of Capacity Transfer and Auction Procedures**

AEMO may, in accordance with the Rules, make Capacity Transfer and Auction Procedures.

### **91BRP Nature of Capacity Transfer and Auction Procedures**

- (1) Capacity Transfer and Auction Procedures are a form of statutory instrument directed at—
  - (a) the effective operation and administration of a capacity auction in accordance with the Rules; and
  - (b) the effective operation and administration of transaction support arrangements.
- (2) The Capacity Transfer and Auction Procedures may deal with the following matters:
  - (a) the matters specified by the Rules;
  - (b) any other matter relevant to a capacity auction, a gas trading exchange or transaction support arrangements on which this Law or the Rules contemplate the making of Procedures.
- (3) The Capacity Transfer and Auction Procedures—
  - (a) may vary according to the persons, times, places or circumstances to which they are expressed to apply; and
  - (b) may confer functions or powers on, or leave any matter or thing to be decided by, AEMO; and
  - (c) may confer rights or impose obligations on a transportation service provider, a transportation facility

- user, a capacity auction participant or a gas trading exchange member; and
- (d) may confer power on AEMO to make or issue guidelines, tests, standards and other documents of an administrative nature; and
  - (e) may confer power on AEMO to require a person on whom a right is conferred, or an obligation imposed, under the Procedures—
    - (i) to comply with a guideline, standard or other document of an administrative nature; or
    - (ii) to conduct, or submit to, a test designed by AEMO under the Procedures; and
  - (f) may exempt, or confer a power of exemption, from the application of the Procedures or specified provisions of the Procedures; and
  - (g) may contain provisions of a savings or transitional nature.
- (4) AEMO must not, without the consent of the MCE, make Capacity Transfer and Auction Procedures that confer a right or function, or impose an obligation, on the MCE or a Minister of a participating jurisdiction.
- (5) The Capacity Transfer and Auction Procedures cannot—
- (a) create an offence; or
  - (b) provide for a criminal or civil penalty.

### **91BRQ Compliance with Capacity Transfer and Auction Procedures**

- (1) AEMO and each person to whom the Capacity Transfer and Auction Procedures are applicable must comply with those Procedures.
- (2) If AEMO has reasonable grounds to suspect a breach of the Capacity Transfer and Auction Procedures, it must, after making such inquiries and investigation as it considers

appropriate, make a decision as to whether the breach is a material breach.

- (3) If AEMO decides the breach is material, AEMO—
  - (a) must publish the decision and the reasons for it on its website; and
  - (b) may direct the person suspected of the breach to rectify it or to take specified measures to ensure future compliance (or both); and
  - (c) may refer the breach to the AER.
- (4) A direction by AEMO under subsection (3)(b) must—
  - (a) specify the breach; and
  - (b) specify the date by which the direction is to be complied with; and
  - (c) be addressed to, and given to, the person suspected of the breach.
- (5) A person to whom a direction is given under subsection (3)(b) must comply with the direction.
- (6) AEMO must give a copy of its decision under subsection (2), its reasons for the decision and (if relevant) any direction under subsection (3)(b) to the AER.
- (7) If AEMO decides the breach is not material, AEMO must give a copy of the decision and the reasons for it to the AER.

*Note—*

AEMO may provide the AER with relevant information (including protected information) related to a suspected breach of the Procedures. (For disclosure of protected information, see section 91GC(2)(b) and 91GG(1)(b).)



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## **Division 2E                      Registration in relation to    transportation facility**

### **91BRR Registration obligation**

- (1) A transportation service provider for a transportation facility must, in accordance with the Rules, register—
  - (a) that transportation facility; and
  - (b) as a transportation service provider for that transportation facility.
- (2) Subsection (1) does not apply if—
  - (a) the transportation facility or the provider is exempted from registration under that subsection by or under the Rules; or
  - (b) the transportation facility or the provider is exempted by the AER from registration under that subsection by or under this Law or the Rules.
- (3) For performing statutory functions, AEMO is not required to be registered.

### **91BRS Exemptions from obligation to register**

- (1) A transportation service provider (or prospective transportation service provider) for a transportation facility may request the AER to exempt the transportation service provider (or prospective transportation service provider on becoming the transportation service provider for the transportation facility) from the obligation to register—
  - (a) the transportation facility under section 91BRR(1)(a); or
  - (b) as a transportation service provider for the transportation facility under section 91BRR(1)(b).
- (2) A request under subsection (1) must be made in accordance with the Rules.

[s 91BRT]

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- (3) On receipt of a request under subsection (1), the AER may, subject to the Rules, grant the exemption.
- (4) An exemption granted under subsection (3) may be subject to such terms and conditions as may be required by the Rules or as the AER considers appropriate in accordance with the Rules.
- (5) In this section—  
*prospective transportation service provider* for a transportation facility means a person who intends to own, control or operate the transportation facility.

### **91BRT Certificates of registration and exemption from registration**

- (1) A certificate signed by an authorised officer certifying that a transportation facility described, or a transportation service provider named, in the certificate is registered, or exempt from registration, is evidence of the registration or exemption.
- (2) In this section, an *authorised officer* is—
  - (a) in relation to registration, AEMO’s CEO or a person authorised by the CEO to issue certificates under this section; or
  - (b) in relation to exemption, the AER’s CEO or a person authorised by the CEO to issue certificates under this section.

## **Division 3 Information etc to be provided to Ministers**

### **91C Ministerial request**

- (1) The MCE or a Minister of a participating jurisdiction may ask AEMO for information, a report or other services.

- (2) The request may be accompanied by a written statement of the purpose for which the information, report or other services are sought.

### **91CA Compliance with request**

- (1) AEMO must comply with a request under this Division.
- (2) However, if compliance with the request would involve disclosure of protected information, AEMO may only provide the information if its disclosure is authorised under this Law or the Rules.

*Note—*

The Minister of an adoptive jurisdiction may be entitled to certain protected information under section 91BB.

### **91CB Quarterly report**

- (1) AEMO must report to the MCE in each quarter on its work under this Division for the previous quarter.
- (2) The report must—
  - (a) summarise each request received in the relevant quarter; and
  - (b) state by whom each request was made.

## **Division 4 Gas statement of opportunities**

### **91D Object and content of gas statement of opportunities**

- (1) The purpose of the gas statement of opportunities is to provide information to assist Registered participants and other persons in making informed decisions about investment in the natural gas industry.
- (2) The gas statement of opportunities—

[s 91DA]

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- (a) must contain an assessment of medium to long term demand (including export demand) for natural gas and for pipeline services; and
- (b) must contain an assessment of supply and pipeline capacity to meet existing and foreseeable demand for natural gas and pipeline services; and
- (c) must include forecasts of the outlook for the natural gas industry over a 20 year planning horizon; and
- (d) must point out likely long term shortfalls in natural gas reserves, and production or transmission constraints; and
- (e) must contain any other information required by the Rules.

#### **91DA AEMO's obligation in regard to gas statement of opportunities**

- (1) AEMO must prepare, periodically review, revise, and publish the gas statement of opportunities in accordance with the Rules.
- (2) AEMO also has the following functions in relation to the gas statement of opportunities:
  - (a) to collect and collate GSOO information;
  - (b) to collect and collate other information in relation to the natural gas industry;
  - (c) to derive from information of the type mentioned in paragraph (a) or (b) information for inclusion in the gas statement of opportunities.

#### **91DB Information for the gas statement of opportunities**

- (1) A person who has possession or control of information in relation to the natural gas industry must give the information to AEMO for use by AEMO in the preparation, review, revision or publication of the gas statement of opportunities if the person is required to do so under the Rules.

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- (2) The information must be given to AEMO in accordance with the Rules.
  - (3) Subsection (1) does not apply if the person is exempt under the Rules from giving the information.
  - (4) Subsection (1) does not require—
    - (a) a person to disclose information that is the subject of legal professional privilege; or
    - (b) a natural person to disclose information that would incriminate the person or make the person liable to a criminal penalty under the law of an Australian jurisdiction (whether or not the jurisdiction is a participating jurisdiction).

#### **91DC Person cannot rely on duty of confidence to avoid compliance with obligation**

A person must not refuse to comply with the requirement in section 91DB on the ground of any duty of confidence.

#### **91DD Giving AEMO false or misleading information**

A person must not give GSOO information to AEMO that the person knows is false or misleading in a material particular.

#### **91DE Immunity of persons giving GSOO information to AEMO**

- (1) A person who gives GSOO information to AEMO does not incur any civil monetary liability for an act or omission in giving that information unless the act or omission is done or made in bad faith or through negligence.
- (2) The civil monetary liability for an act or omission of a kind referred to in subsection (1) done or made through negligence may not exceed the prescribed maximum amount.
- (3) The Regulations may, for the purposes of subsection (2), without limitation do all or any of the following:

[s 91DF]

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- (a) prescribe a maximum amount that is limited in its application to persons, events, circumstances, losses or periods specified in the Regulations;
  - (b) prescribe maximum amounts that vary in their application according to the persons to whom or the events, circumstances, losses or periods to which they are expressed to apply;
  - (c) prescribe the manner in which a maximum amount is to be divided amongst claimants.
- (4) A person mentioned in subsection (1) may enter into an agreement with another person varying or excluding the operation of a provision of this section and, to the extent of that agreement, that provision does not apply.

### **91DF GSOO Procedures**

AEMO may, in accordance with the Rules, make GSOO Procedures.

### **91DG Nature of GSOO Procedures**

- (1) GSOO Procedures are a form of statutory instrument directed at the collection of information for the gas statement of opportunities.
- (2) The GSOO Procedures may deal with the following matters:
  - (a) the matters specified by the Rules;
  - (b) any other matter relevant to the gas statement of opportunities on which this Law or the Rules contemplate the making of Procedures.
- (3) The GSOO Procedures—
  - (a) may vary according to the persons, times, places or circumstances to which they are expressed to apply; and
  - (b) may confer functions or powers on, or leave any matter or thing to be decided by, AEMO; and
  - (c) may confer rights or impose obligations; and

- (d) may confer power on AEMO to make or issue guidelines, tests, standards and other documents of an administrative nature; and
  - (e) may confer power on AEMO to require a person to whom a right is conferred, or an obligation is imposed, under the Procedures—
    - (i) to comply with a guideline, standard or other document of an administrative nature; or
    - (ii) to conduct, or submit to, a test designated by AEMO under the Procedures; and
  - (f) may exempt, or confer a power of exemption, from the application of the Procedures or specified provisions of the Procedures; and
  - (g) may contain provisions of a savings or transitional nature.
- (4) AEMO must not, without the consent of the MCE, make Procedures that confer a right or function, or impose an obligation, on the MCE or a Minister of a participating jurisdiction.
- (5) The GSOO Procedures cannot—
- (a) create an offence; or
  - (b) provide for a criminal or civil penalty.

### **91DH Compliance with GSOO Procedures**

- (1) AEMO and each person to whom the GSOO Procedures are applicable must comply with the Procedures.
- (2) If AEMO has reason to believe that a person is not complying with the GSOO Procedures, it may, by notice in writing, direct the person to comply with the relevant provisions of the GSOO Procedures.
- (3) A person to whom a direction is addressed under subsection (2) must comply with the direction.

## **Division 5                      Fees and charges**

### **91E      AEMO fees and charges**

- (1) AEMO may—
  - (a) determine fees and charges for services provided by it under this Law, the Rules or the Procedures; and
  - (b) charge for, and recover, the fees and charges in accordance with this Law and the Rules.
- (2) The fees and charges for a service are to be determined on a non-profit basis that—
  - (a) provides for full recovery of the costs of providing the service; and
  - (b) does not amount to taxation; and
  - (c) is consistent with the requirements of the Rules.
- (3) Exact equivalence is not required between the costs of providing a service and the revenue derived from providing the service in a particular accounting period if there are reasonable grounds to believe that costs will over time approximate revenue.

*Note—*

This section does not prevent AEMO from generating a profit from the performance of non-statutory functions (such as the provision of consultancy services). Any such profit would not, however, be available for distribution to members.

- (4) Despite the above provisions, a component of AEMO's fees and charges may, if the Rules so provide, relate to costs that are not specifically referable to services provided under this Law, the Rules or the Procedures.

*Note—*

As a general rule, AEMO's expenditures will be allocated to services provided to the electricity industry or the gas industry. Subsection (4) deals with costs that cannot be wholly attributed to either industry.



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- (5) This section does not limit AEMO's power to determine, charge for and recover fees and charges for carrying out functions conferred by jurisdictional legislation.
- (6) In this section—  
*service* includes the performance of statutory functions.

## Division 6 Information gathering

### Subdivision 1 Market information orders and market information notices

#### 91F Information gathering powers

- (1) If AEMO considers it reasonably necessary to do so for the exercise of a relevant function, it may—
- (a) make a general market information order requiring information from persons of a class specified in the order; or
  - (b) serve a market information notice requiring information from the person to whom the notice is addressed.
- (2) A *relevant function* is—
- (a) the preparation, review, revision or publication of the gas statement of opportunities; or
  - (b) a declared system function; or
  - (ba) an east coast gas system reliability and supply adequacy function; or
  - (c) any other statutory function for which this Law authorises AEMO to gather information by means of a market information instrument.
- (3) A general market information order or a market information notice may only be addressed to persons of a class declared by the Regulations to be a class to which such an order or notice may be addressed.

- (4) In considering whether to make a general market information order or to issue a market information notice and, if so, the terms of the order or notice, AEMO must have regard to the reasonable costs of efficient compliance.
- (4a) Subsections (3) and (4) do not apply to an order or notice relating to an east coast gas system reliability and supply adequacy function.
- (4b) The Rules may specify a person, or class of persons, to whom an order or notice relating to an east coast gas system reliability and supply adequacy function may be issued.
- (5) A market information instrument—
  - (a) must specify—
    - (i) the information, or categories of information, that is to be provided to AEMO; and
    - (ii) the time by which the information is required; and
    - (iii) in the case of a general market information order—the class of persons to which the order applies; and
    - (iv) in the case of a market information notice—the name of the person to whom the notice is addressed; and
  - (b) may specify the manner and form in which information must be provided.
- (6) Without limiting subsection (5), a market information instrument—
  - (a) may require information of any of the following kinds:
    - (i) historic, current and forecast information;
    - (ii) information that may be derived from other information in the possession or control of the person required to provide the information; and
  - (b) may require the provision of information on an annual or other periodic basis.

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### **91FA Making and publication of general market information order**

- (1) Before making a final decision to make a general market information order, AEMO must—
  - (a) invite persons of the class to which the proposed order is addressed to make representations about the terms of the proposed order within a period (at least 20 business days) specified in the invitation; and
  - (b) consider any written representations made in response to the invitation within the specified period.
- (2) A general market information order must be published on AEMO's website as soon as practicable after it is made.
- (3) Subsection (1) does not apply to an order relating to an east coast gas system reliability and supply adequacy function.
- (4) AEMO must, before making an order relating to an east coast gas system reliability and supply adequacy function—
  - (a) consider the extent to which persons of the class to which the proposed order is addressed may make representations about the terms of the proposed order; and
  - (b) invite those persons to make representations to the extent AEMO considers possible in the circumstances.

### **91FB Service of market information notice**

- (1) Before serving a market information notice, AEMO must—
  - (a) give the person on whom AEMO intends to serve the market information notice (the *respondent*) written notice of its intention to do so; and
  - (b) give the respondent a draft of the market information notice.
- (2) A notice under subsection (1) must—

- (a) invite the respondent to make written representations to AEMO about whether AEMO should serve the market information notice; and
  - (b) specify the period (at least 20 business days) allowed for making the representations.
- (3) AEMO must consider written representations made in response to the invitation within the specified period before making a final decision to serve the market information notice.
- (4) This section does not apply to a notice relating to an east coast gas system reliability and supply adequacy function.

### **91FC Compliance with market information instrument**

- (1) A market information instrument takes effect—
  - (a) in the case of a general market information order—on publication on AEMO’s website; or
  - (b) in the case of a market information notice—on service of the notice on the person to whom it is addressed.
- (2) AEMO may, by written notice, exempt a person from compliance with a general market information order—
  - (a) unconditionally or on specified conditions; and
  - (b) wholly or to a specified extent.
- (3) Subject to any exemption, a person who is a member of a class to which a general market information order applies must comply with the order.
- (4) A person on whom a market information notice is served must comply with the notice.
- (5) The duty to comply with a market information instrument prevails over a duty of confidence.
- (6) However—
  - (a) a person cannot be required by a market information instrument to disclose information that is the subject of legal professional privilege; and

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- (b) a natural person cannot be required by a market information instrument to disclose information that would incriminate the person or make the person liable to a criminal penalty under the law of an Australian jurisdiction (whether or not the jurisdiction is a participating jurisdiction).
- (7) A person incurs no liability, by complying with a market information instrument, for breach of contract, breach of confidence or any other civil wrong.

### **91FD Use of information**

Subject to this Law, the Rules, the Regulations and the Procedures, AEMO may use information obtained by market information instrument or in any other way for any purpose connected with the exercise of any of its statutory functions.

### **91FE Providing false or misleading information**

A person must not, in purported compliance with a market information instrument, provide information to AEMO that the person knows is false or misleading in a material particular.

Maximum penalty:

- (a) in the case of a natural person—\$6 300;
- (b) in the case of a body corporate—\$31 500.

*Note—*

See Schedule 2 clause 47B, which provides for criminal penalty amounts to be adjusted every 3 years to reflect movements in the consumer price index. The adjusted amounts are published on the AER's website.

## **Subdivision 2      STTM information**

### **91FEA Obligation to give information to AEMO**

- (1) A person of the following kind who has possession or control of information that relates to and is necessary for the operation and administration of a short term trading market by AEMO must give AEMO the information for use by AEMO for the operation and administration of that short term trading market if the person is required to do so under the Procedures or Rules:
  - (a) an STTM trading participant;
  - (b) a service provider;
  - (c) a storage provider;
  - (d) a producer;
  - (e) another person who is prescribed by the Regulations for the purposes of this paragraph.
- (2) The information must be given to AEMO in accordance with the Procedures or Rules.
- (3) Subsection (1) does not apply if the person is exempt under the Rules from giving the information.
- (4) However, subsection (1) does not require—
  - (a) a person to disclose information that is the subject of legal professional privilege; or
  - (b) a natural person to disclose information that would incriminate the person or make the person liable to a criminal penalty under the law of an Australian jurisdiction (whether or not the jurisdiction is a participating jurisdiction).

### **91FEB Person cannot rely on duty of confidence to avoid compliance with obligation**

A person must not refuse to comply with the requirement in section 91FEA(1) on the ground of any duty of confidence.

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### **91FEC Giving to AEMO false and misleading information**

A person must not give STTM information to AEMO that the person knows is false or misleading in a material particular.

Maximum penalty:

- (a) in the case of a natural person—\$6 300;
- (b) in the case of a body corporate—\$31 500.

*Note—*

See Schedule 2 clause 47B, which provides for criminal penalty amounts to be adjusted every 3 years to reflect movements in the consumer price index. The adjusted amounts are published on the AER's website.

### **91FED Immunity of persons giving information to AEMO**

- (1) A person who gives STTM information to AEMO does not incur any civil monetary liability for an act or omission in preparing or giving that information unless the act or omission is done or made in bad faith or through negligence.
- (2) The civil monetary liability for an act or omission of a kind referred to in subsection (1) done or made through negligence may not exceed the prescribed maximum amount.
- (3) The Regulations may, for the purposes of subsection (2), without limitation do all or any of the following:
  - (a) prescribe a maximum amount that is limited in its application to persons, events, circumstances, losses or periods specified in the Regulations;
  - (b) prescribe maximum amounts that vary in their application according to the persons to whom or the events, circumstances, losses or periods to which they are expressed to apply;
  - (c) prescribe the manner in which a maximum amount is to be divided amongst claimants.
- (4) A person mentioned in subsection (1) may enter into an agreement with another person varying or excluding the

operation of a provision of this section and, to the extent of that agreement, that provision does not apply.

### **Subdivision 3      Capacity auction information**

#### **91FEE Obligation to give information to AEMO**

- (1) A person of the following kind who has possession or control of information that relates to and is necessary for the operation and administration of a capacity auction by AEMO or the performance of any other capacity auction function of AEMO must give AEMO the information for use by AEMO for the operation and administration of that capacity auction or performance of that other function if the person is required to do so under the Procedures or Rules:
  - (a) a capacity auction participant;
  - (b) a transportation service provider;
  - (c) a transportation facility user;
  - (d) another person who is prescribed by the Regulations for the purposes of this subsection.
- (2) The information must be given to AEMO in accordance with the Procedures or Rules.
- (3) Subsection (1) does not apply if the person is exempt under the Rules from giving the information.
- (4) However, subsection (1) does not require—
  - (a) a person to disclose information that is the subject of legal professional privilege;
  - (b) a natural person to disclose information that would incriminate the person or make the person liable to a criminal penalty under the law of an Australian jurisdiction (whether or not the jurisdiction is a participating jurisdiction).



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### **91FEF Person cannot rely on duty of confidence to avoid compliance with obligation**

A person must not refuse to comply with the requirement in section 91FEE(1) on the ground of any duty of confidence.

### **91FEG Giving to AEMO false and misleading information**

A person must not give capacity auction information to AEMO that the person knows is false or misleading in a material particular.

Maximum penalty:

- (a) in the case of a natural person—\$6 300;
- (b) in the case of a body corporate—\$31 500.

*Note—*

See Schedule 2 clause 47B, which provides for criminal penalty amounts to be adjusted every 3 years to reflect movements in the consumer price index. The adjusted amounts are published on the AER's website.

### **91FEH Immunity of persons giving information to AEMO**

- (1) A person who gives capacity auction information to AEMO does not incur any civil monetary liability for an act or omission in preparing or giving that information unless the act or omission is done or made in bad faith or through negligence.
- (2) The civil monetary liability for an act or omission of a kind referred to in subsection (1) done or made through negligence may not exceed the prescribed maximum amount.
- (3) The Regulations may, for the purposes of subsection (2), without limitation do all or any of the following:
  - (a) prescribe a maximum amount that is limited in its application to persons, events, circumstances, losses or periods specified in the Regulations;
  - (b) prescribe maximum amounts that vary in their application according to the persons to whom or the

- events, circumstances, losses or periods to which they are expressed to apply;
- (c) prescribe the manner in which a maximum amount is to be divided amongst claimants.
- (4) A person mentioned in subsection (1) may enter into an agreement with another person varying or excluding the operation of a provision of this section and, to the extent of that agreement, that provision does not apply.

## **Subdivision 4 Information used for a capacity auction**

### **91FEI Giving false and misleading information used for capacity auctions**

A person must not give to a transportation service provider information that relates to and is necessary for the operation and administration of a capacity auction by AEMO or the performance of any other capacity auction function of AEMO that the person knows is false or misleading in a material particular.

Maximum penalty:

- (a) in the case of a natural person—\$3 400;
- (b) in the case of a body corporate—\$17 000.

*Note—*

See Schedule 2 clause 47B, which provides for criminal penalty amounts to be adjusted every 3 years to reflect movements in the consumer price index. The adjusted amounts are published on the AER's website.

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## **Division 7                      Protected information**

### **Subdivision 1                  AEMO's obligation to protect information**

#### **91G      Protected information**

- (1) AEMO must take all reasonable measures to protect from unauthorised use or disclosure information (*protected information*)—
  - (a) given to it in confidence; or
  - (b) given to it in connection with the performance of its statutory functions and classified under the Rules, the Procedures or the Regulations as confidential information.
- (2) AEMO makes unauthorised use of protected information if (and only if) it uses the information contrary to this Law, the Rules, the Procedures or the Regulations.

*Note—*

Section 91FD authorises AEMO (subject to the Law, the Rules, the Procedures and the Regulations) to use information (whether obtained by market information instrument or in any other way) for any purpose connected with the exercise of any of its statutory functions.

- (3) AEMO makes an unauthorised disclosure of protected information if the disclosure is not authorised under this Law, the Rules, the Procedures or the Regulations.

### **Subdivision 2                  Disclosure of protected information held by AEMO**

#### **91GA    Authorised disclosure of protected information**

- (1) AEMO is authorised to disclose protected information in accordance with this Subdivision.

- (2) AEMO may also be authorised to disclose protected information by the Rules, the Procedures or the Regulations.

### **91GB Disclosure with prior written consent**

AEMO is authorised to disclose protected information if it has the written consent of the person from whom the information was obtained.

### **91GC Disclosure required or permitted by law etc**

- (1) The disclosure of protected information as required or permitted by a law of the Commonwealth, a State or Territory is authorised.
- (2) The disclosure of protected information to any of the following is authorised:
- (a) the Australian Competition and Consumer Commission;
  - (b) the Australian Energy Regulator;
  - (c) the Australian Energy Market Commission;
  - (ca) the Energy Security Board;
  - (d) the Economic Regulation Authority of Western Australia;
  - (e) a jurisdictional regulator;
  - (f) the National Competition Council;
  - (g) if the information is reasonably required by an energy ombudsman to resolve a dispute between a Registered participant and a retail customer but the information is not end use consumer information—the energy ombudsman;
  - (h) a prescribed body;
  - (i) any staff or consultant assisting a body mentioned above in performing its functions or exercising its powers.
- (3) A person or body to whom protected information is disclosed under subsection (2) may use the information for any purpose

connected with the performance of the functions, or the exercise of the powers, of the person or body.

- (4) AEMO may impose conditions to be complied with in relation to protected information disclosed under subsection (2).
- (5) The disclosure of protected information by a person in the ordinary course of carrying out functions as an officer or employee of, or consultant to, AEMO or a body mentioned in subsection (2) is authorised.

### **91GD Disclosure for purposes of court and tribunal proceedings**

AEMO is authorised to disclose protected information for the purposes of—

- (a) civil or criminal proceedings; or
- (b) a proceeding before the Tribunal or a tribunal established by or under a law of this jurisdiction or another participating jurisdiction.

### **91GE Disclosure of document with omission of protected information**

- (1) If a document contains both protected information and other information, AEMO may disclose the document with the omission of the protected information.
- (2) AEMO must include a note at the place in the document from which the protected information is omitted to the effect that protected information has been omitted from the document.

### **91GF Disclosure of non-identifying information**

AEMO is authorised to disclose protected information if—

- (a) it does not disclose any elements of the information that could lead to the identification of the person to whom the information relates; or

- (b) the manner in which it discloses the information does not identify the person to whom that information relates.

*Example—*

Protected information may be combined or arranged with other information to prevent the identification of the person to whom the protected information relates.

### **91GFADisclosure of information in an aggregated form**

AEMO is authorised to disclose information given to it in confidence, in compliance with this Law or the Rules or voluntarily, if the information has been combined or arranged with other information so that it does not reveal any confidential aspects of the information.

### **91GG Disclosure of protected information for safety, proper operation of the market etc**

- (1) AEMO is authorised to disclose protected information if—
- (a) the disclosure is necessary for—
    - (i) the safety, reliability, adequacy or security of the supply of natural gas; or
    - (ii) the safety, reliability, adequacy or security of a pipeline; or
  - (b) the disclosure is necessary for the proper operation of a regulated gas market, a capacity auction or the Capacity Transfer and Auction Procedures; or
  - (c) the information is in the public domain.
- (2) AEMO may impose conditions to be complied with in relation to information disclosed under subsection (1)(a) or (b).

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**91GH Disclosure of protected information authorised if detriment does not outweigh public benefit**

- (1) Subject to this section, AEMO is authorised to disclose protected information after the restricted period if AEMO is of the opinion—
  - (a) that the disclosure of the information would not cause detriment to the person who has given it or to a person from whom that person received it; or
  - (b) that, although the disclosure of the information would cause detriment to such a person, the public benefit in disclosing it outweighs that detriment.
- (2) Before disclosing the protected information, AEMO must give the person who gave the protected information—
  - (a) a written notice (an *initial disclosure notice*) stating—
    - (i) that AEMO wishes to disclose the information, specifying the nature of the intended disclosure; and
    - (ii) that AEMO is of the opinion required by subsection (1); and
    - (iii) that the person, within the period specified in the notice, may make representations to AEMO against disclosure of the information; and
  - (b) AEMO’s decision, in writing, setting out the reasons why AEMO—
    - (i) wishes to make the disclosure; and
    - (ii) is of the opinion required by subsection (1).
- (3) If AEMO is aware that the person who gave the protected information in turn received the information from another person and is aware of the other person’s identity and address, AEMO must, before disclosing the information give the other person—
  - (a) a written notice (an *initial disclosure notice*) stating—

- (i) that AEMO wishes to disclose the information, specifying the nature of the intended disclosure; and
  - (ii) that AEMO is of the opinion required by subsection (1); and
  - (iii) that the person, within the period specified in the notice, may make representations to AEMO against disclosure of the information; and
- (b) AEMO's decision, in writing, setting out the reasons why AEMO—
  - (i) wishes to make the disclosure; and
  - (ii) is of the opinion required by subsection (1).
- (4) AEMO must consider every representation made to it by a person given an initial disclosure notice within the time specified in the notice.
- (5) The period specified in an initial disclosure notice must not be less than 5 business days after the date the initial disclosure notice is given to the person.
- (6) If, after considering the representations, AEMO wishes to disclose the protected information, AEMO must give the person given the initial disclosure notice—
  - (a) a written notice (a *further disclosure notice*) stating—
    - (i) that AEMO intends to disclose the information, specifying the nature of the intended disclosure; and
    - (ii) that AEMO is of the opinion required by subsection (1); and
  - (b) AEMO's decision, in writing, setting out the reasons why AEMO—
    - (i) intends to make the disclosure; and
    - (ii) is of the opinion required by subsection (1).
- (7) For the purposes of this section, the disclosure of anything that is already in the public domain at the time AEMO wishes



to disclose it cannot cause detriment to any person referred to in subsection (2) or (3).

- (7a) Despite anything to the contrary in this Law, this section is taken to be an exhaustive statement of the requirements of the natural justice hearing rule in relation to—
- (a) AEMO's decision under subsection (1) to disclose protected information; and
  - (b) without limiting paragraph (a), if AEMO's decision under subsection (1) is to disclose the protected information, AEMO's opinion—
    - (i) that the disclosure of the information would not cause detriment to the person who gave the information or, if the person who gave the information in turn received the information from another person, that other person (as the case may be); or
    - (ii) that, although the disclosure of the information would cause detriment to such a person, the public benefit in disclosing it outweighs that detriment.

- (8) In this section—

*restricted period* means a period of 5 business days after—

- (a) an initial disclosure notice has been given under this section; or
- (b) a further disclosure notice has been given under this section,

whichever is the later.

## **Division 8                      Obligation to make payments**

### **91H      Obligations under Rules or Procedures to make payments**

- (1) If, under the Rules or Procedures—

- (a) a Registered participant is required to pay an amount to AEMO or another Registered participant; or
- (b) AEMO is required to pay an amount to a Registered participant,

and that amount is not paid within 28 days after it is due in accordance with the Rules or Procedures, the Registered participant to whom the amount is due or AEMO (as the case requires) may recover that amount in a court of competent jurisdiction as a civil debt.

- (2) If, under the Rules or Procedures, a Registered participant is required to pay an amount to AEMO or another Registered participant, or AEMO is required to pay an amount to a Registered participant, and the Rules or Procedures do not specify a date for payment of that amount—
  - (a) that amount must be paid within the period of time specified in a notice to pay issued by the Registered participant or AEMO (as the case requires) that specifies that amount; and
  - (b) the Registered participant that issued the notice to pay, or AEMO (as the case requires), may, if that amount is not paid within 28 days after it is due in accordance with that notice, recover that amount in a relevant court of competent jurisdiction as a civil debt.
- (3) Subsections (1) and (2) apply despite a Registered participant or AEMO disputing, in accordance with the Rules, an amount to be paid under the Rules or Procedures, or specified in a notice to pay, unless—
  - (a) the Rules or Procedures otherwise provide; or
  - (b) the parties to the dispute agree otherwise; or
  - (c) a Dispute resolution panel, in a rule dispute in respect of the payment of an amount referred to in subsection (1) or (2), determines that the relevant subsection does not apply; or
  - (d) a court of competent jurisdiction determines that subsection (1) or (2) does not apply.

(4) In this section—

*AEMO* includes, in relation to a gas trading exchange, a person appointed by AEMO to operate that exchange;

*notice to pay* includes a statement of payment, settlement statement, bill or invoice;

*Registered participant* includes the following:

- (a) an exempted participant;
- (b) a capacity auction participant;
- (c) a transportation service provider registered with AEMO under section 91BRR or exempted from registration under that section;
- (d) a gas trading exchange member.
- (e) a relevant entity (within the meaning of section 91AF).

## Division 9                    **AEMO's statutory funds**

### 91J    **Definitions**

In this Division—

*Rule fund* means—

- (a) a fund—
  - (i) established under legislation of a participating jurisdiction (whether primary or subordinate); and
  - (ii) administered by a former gas market operator immediately before the relevant changeover date; and
  - (iii) transferred to AEMO's administration on or after that date; or
- (b) a fund established as a Rule fund under this Division.

### **91JA AEMO's Rule funds**

- (1) Subject to the Rules—
  - (a) the Rule funds in existence on the relevant changeover date vest in AEMO; and
  - (b) AEMO then becomes (and will continue to be) responsible for the administration of the Rule funds then in existence; and
  - (c) AEMO will be responsible for the administration of a Rule fund established after the relevant changeover date as from the establishment of the fund.
- (2) AEMO must, if required to do so by the Rules or the Procedures, establish and maintain a new Rule fund in accordance with the Rules or the Procedures.
- (3) Nothing in this Law, the Rules or the Procedures constitutes AEMO, or a director of AEMO, as a trustee of a Rule fund.

### **91JB Payments into and out of Rule funds**

- (1) AEMO must ensure that there is paid into each Rule fund—
  - (a) all amounts received by AEMO that, under the Rules or the Procedures, are required to be paid into the fund; and
  - (b) income from investment of money in the fund.
- (2) Money held in a Rule fund may be applied only in payment of—
  - (a) amounts that, under the Rules or the Procedures, are required or permitted to be paid from the fund; or
  - (b) liabilities or expenses of the fund.

### **91JC Investment**

- (1) AEMO may invest money standing to the credit of a Rule fund.

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- (2) AEMO must, in exercising the power of investment, exercise the care, diligence and skill that a prudent person would exercise in managing the affairs of others.

## **Division 10            Immunity**

### **91K    Immunity from liability**

- (1) Neither AEMO nor an officer or employee of AEMO incurs any civil monetary liability for an act or omission in the performance or exercise, or purported performance or exercise, of a function or power under this Law, the Rules or the Procedures unless the act or omission is done or made in bad faith or through negligence.
- (2) The civil monetary liability for an act or omission of a kind referred to in subsection (1) done or made through negligence may not exceed the maximum amount prescribed by the Regulations.
- (3) The Regulations prescribing a limitation of civil monetary liability for the purposes of subsection (2)—
- (a) may limit its application, or vary the maximum amount, according to—
    - (i) the nature of the functions or powers out of which the liability arises; or
    - (ii) the market to which the liability relates; or
    - (iii) the nature of the events or circumstances out of which the liability arises; or
    - (iv) the nature of the damage or loss; or
    - (v) the person or persons suffering damage or loss; or
    - (vi) the season or period in which the liability is incurred; or
    - (vii) any combination of the above; and

[s 91KA]

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- (b) may prescribe the manner in which a maximum amount is to be divided among claimants.
- (4) AEMO may enter into an agreement with a person varying or excluding the operation of a provision of this section and this section will then apply to that person subject to that agreement.
- (5) This section does not apply to any liability of an officer or employee of a body corporate to the body corporate.

### **91KA Supply interruption or disconnection in compliance with AEMO's direction**

- (1) A distributor incurs no civil monetary liability for interrupting or disconnecting the supply of natural gas to an end user in compliance or purported compliance with a direction given by AEMO under Rules related to user exit from a regulated retail gas market.
- (2) The immunity does not extend to an act or omission done or made in bad faith or through negligence.
- (3) The civil monetary liability for an act or omission of a kind referred to in subsection (1) done or made through negligence may not exceed the maximum amount prescribed by the Regulations.
- (4) The Regulations may, for the purposes of subsection (3)—
  - (a) prescribe a limitation of liability that is limited in its application to persons, events, losses or periods specified in the Regulations;
  - (b) prescribe a limitation of liability that varies in amount according to the persons to whom, or the events, circumstances, losses or periods to which, it is expressed to apply;
  - (c) prescribe the manner in which a maximum amount is to be divided amongst claimants.
- (5) In this section—

*distributor* means the service provider that provides pipeline services by means of a distribution pipeline and includes an officer, employee or agent of the service provider.

### **91KB Immunity in relation to use of computer software**

- (1) A protected person incurs no civil monetary liability for loss or damage suffered by a Registered participant or other person in consequence of the use of computer software to operate a gas market.
- (2) In this section—

*protected person* means—

  - (a) AEMO; or
  - (b) a former gas market operator; or
  - (c) an officer, employee or agent of AEMO or a former gas market operator.

### **91KC Immunity from liability—dispute resolution**

- (1) A protected person incurs no civil monetary liability for an act or omission in the exercise of powers or functions related to dispute resolution under the Rules unless the act or omission is done or made in bad faith.
- (2) In this section—

*protected person* means—

  - (a) a person appointed under the Rules to manage and facilitate dispute resolution under or in relation to the Rules or the Procedures; or
  - (b) an arbitrator, mediator or other person appointed to resolve, or assist in the resolution of, disputes under or in relation to the Rules or the Procedures; or
  - (c) a person or class of persons to which the protection of this section is extended by the Regulations.

## Division 11            Other matters

### 91KD Disclosure of information for purpose of market trials

- (1) This section applies if AEMO—
  - (a) conducts a trial relating to the operation and administration of a market, or a part of a market, for natural gas; and
  - (b) under, or for the purpose of, that trial is given information by another person (the *discloser*) that relates to another person.
- (2) The discloser, by giving the information to AEMO, incurs no liability for breach of contract, breach of confidence or any other civil wrong.
- (3) AEMO, by giving or disclosing the information to a person, or publicly releasing the information, incurs no liability for breach of contract, breach of confidence or any other civil wrong.

## Part 7                    Regulation of retail gas markets

### Division 1                Registration

#### 91L Retail gas markets

- (1) The retail market for natural gas in each participating jurisdiction constitutes a *retail gas market*.
- (2) A *regulated retail gas market* is a retail gas market the operation of which is governed under the Rules or Procedures (or both).



### **91LA Retail market participation**

- (1) A person participates in a regulated retail gas market in a registrable capacity if the person is classified under the Rules as a participant in the relevant market.
- (2) A person cannot be classified under the Rules as a participant in a regulated retail gas market unless the person falls within 1 or more of the following classes:
  - (a) service providers;
  - (b) users;
  - (d) producers;
  - (e) storage providers;
  - (f) traders;
  - (g) a class prescribed under the Regulations.

### **91LB Registration required for market participation**

- (1) A person must not participate in a regulated retail gas market in a registrable capacity unless registered (or exempted from registration) in accordance with the Rules.
- (2) A person may also be exempted from registration by or under jurisdictional gas legislation.
- (3) A person who participates in a regulated retail gas market in 2 or more registrable capacities must be registered (or exempted from registration) in both or all those capacities.
- (4) For performing statutory functions, AEMO is not required to be registered.

### **91LC Certificates of registration etc**

- (1) A certificate signed by an authorised officer certifying that a person named in the certificate is registered, or exempted from registration, is evidence of the registration or exemption.

- (2) For this section, an *authorised officer* is AEMO's CEO or a person authorised by the CEO to issue certificates under this section.

## **Division 2                      Retail Market Procedures**

### **91M      Retail Market Procedures**

AEMO may, in accordance with the Rules, make Retail Market Procedures.

### **91MA   Nature of Retail Market Procedures**

- (1) Retail Market Procedures are a form of statutory instrument directed at the regulation of a retail gas market.
- (2) The Retail Market Procedures may deal with the following matters:
  - (a) the matters specified by the Rules;
  - (b) any other matter relevant to a regulated retail gas market on which this Law or the Rules contemplate the making of Procedures.
- (3) The Retail Market Procedures—
  - (a) may apply to regulated retail gas markets generally or any 1 or more of the regulated retail gas markets; and
  - (b) may vary according to the persons, times, places or circumstances to which they are expressed to apply; and
  - (c) may confer functions or powers on, or leave any matter or thing to be decided by, AEMO; and
  - (d) may confer rights or impose obligations on Registered participants, exempted participants, users, end users or other persons; and
  - (e) may require a Registered participant or an exempted participant to give an indemnity against injury, damage

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- or loss arising from the participant's failure to comply with requirements imposed by the Procedures; and
- (f) may confer power on AEMO to make or issue guidelines, tests, standards and other documents of an administrative nature; and
  - (g) may confer power on AEMO to require a person on whom a right is conferred, or an obligation imposed, under the Procedures—
    - (i) to comply with a guideline, standard or other document of an administrative nature; or
    - (ii) to conduct, or submit to, a test designed by AEMO under the Procedures; and
  - (h) may exempt, or confer a power of exemption, from the application of the Procedures or specified provisions of the Procedures; and
  - (i) may contain provisions of a savings or transitional nature.
- (4) AEMO must not, without the consent of the MCE, make Retail Market Procedures that confer a right or function, or impose an obligation, on the MCE or a Minister of a participating jurisdiction.
  - (5) The Retail Market Procedures cannot—
    - (a) create an offence; or
    - (b) provide for a criminal or civil penalty.

### **91MB Compliance with Retail Market Procedures**

- (1) AEMO and each person to whom the Retail Market Procedures are applicable must comply with the Procedures.
- (3) If AEMO has reasonable grounds to suspect a breach of the Retail Market Procedures, it must, after making such inquiries and investigation as it considers appropriate, make a decision as to whether the breach is a material breach.
- (4) If AEMO decides the breach is material, AEMO—

- (a) must publish the decision and the reasons for it on its website; and
  - (b) may direct the person suspected of the breach to rectify it or to take specified measures to ensure future compliance (or both); and
  - (c) may refer the breach to the AER.
- (5) A direction by AEMO under subsection (4)(b) must—
- (a) specify the breach; and
  - (b) specify the date by which the direction is to be complied with; and
  - (c) be addressed to, and given to, the person suspected of the breach.
- (6) A person to whom a direction is given under subsection (4)(b) must comply with the direction.
- (7) AEMO must give a copy of its decision under subsection (3), its reasons for the decision and (if relevant) any direction under subsection (4)(b) to the AER.
- (8) If AEMO decides the breach is not material, AEMO must—
- (a) publish the decision and the reasons for it on its website; and
  - (b) give a copy of the decision and the reasons for it to the AER.

*Note—*

AEMO may provide the AER with relevant information (including protected information) related to a suspected breach of the Procedures. (For disclosure of protected information, see section 91GC(2)(b).)

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## Chapter 3      Regulatory framework for pipelines

### Part 1              Scheme pipeline determinations and scheme pipeline elections

#### Division 1          Scheme pipeline determinations

##### 92      AER may make scheme pipeline determination

- (1) The AER may, on its own initiative or on the application of any person, make a determination that a non-scheme pipeline is a scheme pipeline (a *scheme pipeline determination*).
- (2) An application for a scheme pipeline determination must—
  - (a) be made in accordance with the Rules; and
  - (b) contain the information required by the Rules; and
  - (c) be accompanied by the fee prescribed by the Regulations (if any); and
  - (d) be dealt with in accordance with the Rules.

##### 93      Requirements for making, or not making, a scheme pipeline determination

- (1) A scheme pipeline determination or a decision not to make a scheme pipeline determination must—
  - (a) be made in accordance with this Law and the Rules; and
  - (b) contain the information required by the Rules; and
  - (c) be given to the persons specified by the Rules; and
  - (d) be made publicly available in accordance with the Rules; and

- (e) if a scheme pipeline determination is made—specify the date the determination takes effect.
- (2) For subsection (1)(e), the date specified must be at least 6 months, but not more than 12 months, after the determination is made.

## **94 Effect of scheme pipeline determination**

A pipeline the subject of a scheme pipeline determination—

- (a) becomes a scheme pipeline when the scheme pipeline determination takes effect; and
- (b) continues to be a scheme pipeline while the scheme pipeline determination remains in effect.

## **Division 2 Scheme pipeline elections**

### **95 Scheme pipeline elections**

- (1) A service provider for a non-scheme pipeline may elect for the pipeline to be dealt with under this Law as a scheme pipeline (a *scheme pipeline election*).
- (2) A scheme pipeline election must be made in accordance with the Rules.

### **96 Effect of scheme pipeline elections**

- (1) A scheme pipeline election takes effect on a day, determined by the AER, that is at least 6 months, but not more than 12 months, after the AER receives the election.
- (2) However, if the AER does not make a determination under subsection (1), the scheme pipeline election takes effect on the day that is 12 months after the AER receives the election.
- (3) On the day a scheme pipeline election takes effect under this section, the non-scheme pipeline the subject of the scheme pipeline election becomes a scheme pipeline.

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## Part 2                      **Scheme pipeline revocation determinations**

### **97      AER may make scheme pipeline revocation determination**

- (1) The AER may, on its own initiative or on the application of any person, make a scheme pipeline revocation determination in relation to any scheme pipeline other than a designated pipeline.
- (2) An application for a scheme pipeline revocation determination must—
  - (a) be made in accordance with the Rules; and
  - (b) contain the information required by the Rules; and
  - (c) be accompanied by the fee prescribed by the Regulations (if any); and
  - (d) be dealt with in accordance with the Rules.

### **98      Requirements for making, or not making, a scheme pipeline revocation determination**

A scheme pipeline revocation determination or a decision not to make a scheme pipeline revocation determination must—

- (a) be made in accordance with this Law and the Rules; and
- (b) contain the information required by the Rules; and
- (c) be given to the persons specified by the Rules; and
- (d) be made publicly available in accordance with the Rules; and
- (e) if a scheme pipeline revocation determination is made—specify the date the determination takes effect.

## **99 Effect of scheme pipeline revocation determination**

A pipeline the subject of a scheme pipeline revocation determination ceases to be a scheme pipeline when the scheme pipeline revocation determination takes effect.

# **Part 3 Greenfields incentive determinations and greenfields price protection determinations**

## **Division 1 Greenfields incentive determinations**

### **100 AER may make greenfields incentive determination**

- (1) The AER may, on the application of the service provider for a greenfields pipeline project, make a determination that the pipeline the subject of the greenfields pipeline project cannot become a scheme pipeline during the operative period for the determination (a *greenfields incentive determination*).
- (2) An application for a greenfields incentive determination—
  - (a) cannot be made after the pipeline is commissioned; and
  - (b) must be made in accordance with the Rules; and
  - (c) must include a description of the pipeline that meets the requirements specified by the Rules; and
  - (d) must contain the information required by the Rules; and
  - (e) need not describe, or include details of, excluded infrastructure; and
  - (f) must be accompanied by the fee prescribed by the Regulations (if any); and
  - (g) must be dealt with in accordance with the Rules.



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**101 Requirements for making, or not making, a greenfields incentive determination**

- (1) A greenfields incentive determination or a decision not to make a greenfields incentive determination must—
  - (a) be made in accordance with this Law and the Rules; and
  - (b) contain the information required by the Rules; and
  - (c) be given to the persons specified by the Rules; and
  - (d) be made publicly available in accordance with the Rules; and
  - (e) if a greenfields incentive determination is made—specify the date the determination takes effect.
- (2) The AER may, in having regard to the matters mentioned in section 112, decide a period during which a greenfields incentive determination is to continue in operation that is less than 15 years.
- (3) If the AER decides a period under subsection (2), the greenfields incentive determination must also specify the period.

**102 Effect of greenfields incentive determination**

- (1) A greenfields incentive determination takes effect on and from the date specified in the determination.
- (2) The period during which a greenfields incentive determination continues in force (the *operative period*) is—
  - (a) if the AER decides a period under section 101(2) that is less than 15 years—that period; or
  - (b) otherwise—15 years from the commissioning of the pipeline.
- (3) During the operative period, the pipeline the subject of the greenfields incentive determination cannot become a scheme pipeline.

- (4) An application for a scheme pipeline determination in relation to a pipeline to which a greenfields incentive determination applies can be made—
  - (a) before the end of the operative period for the greenfields incentive determination; but
  - (b) only if the scheme pipeline determination is to commence from, or after, the end of the operative period.

### **103 Requirement for conformity between pipeline description and pipeline as constructed**

- (1) Subject to this Part—
  - (a) a greenfields incentive determination applies to the pipeline as described in the relevant pipeline description; and
  - (b) if the pipeline, as constructed, materially differs from the pipeline as described in the relevant pipeline description, the determination does not apply to the pipeline and the service provider is not entitled to its benefit.
- (2) In determining whether a pipeline, as constructed, materially differs from the relevant pipeline description, excluded infrastructure is not to be taken into account.
- (3) In this section—

*relevant pipeline description* means a description of the pipeline required to be included in the application for the greenfields incentive determination made under section 100.

### **104 Power of AER to amend pipeline description**

- (1) The AER may, on application by the service provider for a pipeline to which a greenfields incentive determination applies, amend the relevant pipeline description.
- (2) An amendment cannot, however, be made under this section after the pipeline has been commissioned.

(3) In deciding whether to make the amendment sought, the AER must have regard to the criteria that were relevant to the making of the greenfields incentive determination.

(3) In this section—

*relevant pipeline description* means a description of the pipeline required to be included in the application for the greenfields incentive determination made under section 100.

## **Division 2                      Early termination of greenfields incentive determination**

### **105      Greenfields incentive determination may lapse**

- (1) A greenfields incentive determination lapses if the pipeline to which it applies is not commissioned within 3 years after the determination takes effect.
- (2) The AER may, in a particular case, extend the 3 year period mentioned in subsection (1).

### **106      Revocation by consent**

The AER may, at the request of the service provider for the pipeline to which a greenfields incentive determination applies, revoke the determination.

### **107      Revocation for misrepresentation**

The AER may revoke a greenfields incentive determination on the ground that—

- (a) the applicant misrepresented a material fact on the basis of which the determination was made; or
- (b) the applicant failed to disclose material information that the applicant was required to disclose under this Chapter.

**108 Exhaustive provision for termination of greenfields incentive determination**

A greenfields incentive determination does not terminate, and cannot be revoked, before the end of the operative period for the determination other than as provided for under this Part.

**Division 3 Greenfields price protection determinations**

**109 AER may make greenfields price protection determination**

- (1) The AER may, on the application of the service provider for a greenfields pipeline project, make a determination that prices and non-price terms and conditions for particular pipeline services provided by means of a pipeline that are specified in the determination are protected, in the manner provided for in the Rules, in any arbitration of an access dispute involving the pipeline (a *greenfields price protection determination*).
- (2) An application for a greenfields price protection determination—
  - (a) cannot be made after the pipeline is commissioned; and
  - (a) must be made in accordance with the Rules; and
  - (c) must contain the information required by the Rules; and
  - (d) must be dealt with in accordance with the Rules.

**110 Requirements for making, or not making, a greenfields price protection determination**

- (1) The AER must not make a greenfields price protection determination unless—
  - (a) the pipeline the subject of the determination is also the subject of a greenfields incentive determination; and
  - (b) the AER is satisfied—

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- (i) that—
- (A) the pipeline has been developed following a competitive process; and
  - (B) the prices and non-price terms and conditions for pipeline services that will be made available to prospective users during the operative period for the greenfields price protection determination have been set as a result of that process; or
- (ii) that—
- (A) one or more form of regulation factors effectively constrained the exercise of market power by the service provider when the prices and non-price terms and conditions for pipeline services that will be made available to prospective users during the operative period for the greenfields price protection determination were determined; and
  - (B) the making of the determination will, or is likely to, contribute to the achievement of the national gas objective.
- (2) For the purposes of subsection (1)(b)(i)(A), a pipeline is taken to have been developed following a competitive process if the AER is reasonably satisfied from the information provided to it by the applicant for the greenfields price protection determination that there was competition (whether formal or informal) to develop the pipeline between 2 or more prospective service providers that—
- (a) were not related bodies corporate of each other; and
  - (b) did not include a related body corporate of the applicant.

*Example—*

Competition between prospective service providers could involve the service providers competing on the basis of—

- (a) different pipeline routes; or

- (b) an expansion of an existing pipeline and the development of a new pipeline.
- (3) A greenfields price protection determination or a decision not to make a greenfields price protection determination must—
  - (a) be made in accordance with this Law and the Rules; and
  - (b) contain the information required by the Rules; and
  - (c) be given to the persons specified by the Rules; and
  - (d) be made publicly available in accordance with the Rules; and
  - (e) if a greenfields price protection determination is made, specify—
    - (i) the date the determination takes effect; and
    - (ii) the operative period for the determination.
- (4) For subsection (3)(e)(ii), the operative period for a greenfields price protection determination—
  - (a) is the period during which the prices and non-price terms and conditions specified in the determination will be made available to prospective users; but
  - (b) cannot be longer than the operative period for the greenfields incentive determination relating to the pipeline.

## **111 Effect of greenfields price protection determination**

- (1) A greenfields price protection determination—
  - (a) takes effect on and from the date specified in the determination; and
  - (b) continues in operation for the operative period for the determination mentioned in section 110(4).
- (2) A greenfields price protection determination ends if the greenfields incentive determination to which the greenfields price protection determination relates ceases to apply to the pipeline.

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## Part 4 Principles governing the making of particular determinations

### 112 Principles governing the making of particular determinations

- (1) This section sets out principles that apply for the making of the following determinations (each a *relevant determination*) by the AER—
  - (a) a scheme pipeline determination under Part 1 Division 1;
  - (b) a scheme pipeline revocation determination under Part 2;
  - (c) a greenfields incentive determination under Part 3.
- (2) In deciding whether to make a relevant determination, the AER must consider the effect of regulating the pipeline, to which the determination would apply, as a scheme pipeline or non-scheme pipeline on—
  - (a) the promotion of access to pipeline services; and
  - (b) the costs that are likely to be incurred by an efficient service provider; and
  - (c) the costs that are likely to be incurred by efficient users and efficient prospective users; and
  - (d) the likely costs of end users.
- (3) In doing so the AER—
  - (a) must have regard to the national gas objective; and
  - (b) must have regard to—
    - (i) the form of regulation factors; and
    - (ii) for a greenfields incentive determination—the extent to which the form of regulation factors or competition to develop the pipeline (whether formal or informal) between 2 or more unrelated

prospective service providers will, or is likely to, pose an effective constraint on the exercise of market power in respect of services provided by means of the pipeline for the period the determination is in operation; and

*Example—*

Competition between prospective service providers could involve the service providers competing on the basis of—

- (a) different pipeline routes; or
  - (b) an expansion of an existing pipeline and the development of a new pipeline.
- (c) may have regard to any other matter it considers relevant, including, for example, any information it obtains in the course of performing its functions.

*Example for paragraph (c)—*

The AER may have regard to information contained in a report made by a mediator in relation to an access dispute.

- (4) For subsection (3)(b)(ii), prospective service providers are unrelated if the service providers—
- (a) are not related bodies corporate of each other; and
  - (b) do not include a related body corporate of the applicant for the greenfields incentive determination.

## **Part 5**                      **Access arrangements for scheme pipelines**

### **Division 1**                **Submissions generally**

#### **113**    **Submission of access arrangement or revisions to applicable access arrangement**

A scheme pipeline service provider must submit to the AER, for approval by the AER under the Rules, an access arrangement or revisions to an applicable access arrangement,



in relation to the pipeline services the service provider provides or intends to provide—

- (a) in the circumstances specified by the Rules; and
- (b) within the period of time specified by the Rules.

## **Division 2                    Provisions relating to applicable access arrangements**

### **114    Protection of certain pre-existing contractual rights**

- (1) An applicable access arrangement must not have the effect of depriving a person of a relevant protected contractual right.
- (2) In this section—

*relevant exclusivity right* means an express contractual right that arose on or after 30 March 1995 that—

- (a) prevents a service provider supplying pipeline services to persons who are not parties to the contract; or
- (b) limits or controls a service provider’s ability to supply pipeline services to persons who are not parties to the contract,

but does not include a user’s contractual right to obtain a certain amount of pipeline services;

*relevant protected contractual right* means—

- (a) in the case of an applicable access arrangement approved under an applicable arrangement decision—a right under a contract (other than a relevant exclusivity right) in force immediately before that access arrangement was submitted for approval under this Law; or
- (b) in the case of an applicable access arrangement made under an applicable arrangement decision because—
  - (i) an access arrangement was not submitted for approval as required under section 113—a right

under a contract (other than a relevant exclusivity right) in force immediately before the date on which an access arrangement was required to be submitted for approval; or

- (ii) an access arrangement was not approved under an applicable arrangement decision—a right under a contract (other than a relevant exclusivity right) in force immediately before the date on which that access arrangement was submitted for approval.

### **115 Service provider may enter into agreement for access different from applicable access arrangement**

Subject to sections 83C and 135, nothing in this Law is to be taken as preventing a service provider from entering into an agreement with a user or a prospective user about access to a pipeline service provided by means of a scheme pipeline that is different from an applicable access arrangement that applies to that pipeline service.

### **116 Applicable access arrangements continue to apply regardless of who provides pipeline service**

An applicable access arrangement applies to a pipeline service provided, or to be provided, by means of a scheme pipeline regardless of who provides that pipeline service.

## **Part 6 Classification and reclassification of pipelines**

### **Division 1 Classification of pipelines**

#### **117 Application for classification of pipeline**

- (1) This section applies if a pipeline is not classified as a distribution or transmission pipeline under a licence or

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authorisation granted in relation to the pipeline under jurisdictional gas legislation.

- (2) Within 20 business days after the commissioning of the pipeline, the service provider for the pipeline must apply to the AER for the pipeline to be classified as a distribution pipeline or transmission pipeline.
- (3) An application for a classification decision must—
  - (a) be made in accordance with the Rules; and
  - (b) contain the information required by the Rules; and
  - (c) be accompanied by the fee prescribed by the Regulations (if any); and
  - (d) be dealt with in accordance with the Rules.

## **Division 2                      Reclassification of pipelines**

### **118      Reclassification of pipelines**

- (1) The AER may, on its own initiative or on the application of a service provider, make a decision for a pipeline to be reclassified as—
  - (a) if the pipeline is a transmission pipeline—a distribution pipeline; or
  - (b) if the pipeline is a distribution pipeline—a transmission pipeline.
- (2) An application for a reclassification decision must—
  - (a) be made in accordance with the Rules; and
  - (b) contain the information required by the Rules; and
  - (c) be accompanied by the fee prescribed by the Regulations (if any); and
  - (b) be dealt with in accordance with the Rules.

## **Division 3                      Provisions relating to classification and reclassification decisions**

### **119      Requirements for making classification or reclassification decisions**

- (1) In making a classification decision or reclassification decision, the AER must have regard to—
  - (a) the national gas objective; and
  - (b) the pipeline classification criterion.
- (2) A classification decision or reclassification decision must—
  - (a) be made in accordance with this Law and the Rules; and
  - (b) contain the information required by the Rules; and
  - (c) be given to the persons specified by the Rules; and
  - (d) be made publicly available in accordance with the Rules.

### **120      Effect of classification decision or reclassification decision**

On the making of a classification decision or reclassification decision, a pipeline is—

- (a) if the pipeline is classified or reclassified as a distribution pipeline—a distribution pipeline; or
- (b) if the pipeline is classified or reclassified as a transmission pipeline—a transmission pipeline.

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## Part 7                      **AER reviews into designated pipelines**

### **121      AER reviews**

- (1) The MCE may request the AER to conduct a review into, and report to it as to, whether a pipeline should continue to be a designated pipeline.
- (2) A service provider that provides pipeline services by means of a designated pipeline may request the AER to conduct a review into, and report to the MCE as to, whether that pipeline should continue to be a designated pipeline.
- (3) A request under subsection (1) or (2) must be in writing.
- (4) On receiving a request under this section, the AER must conduct a review as to whether the pipeline the subject of the request should continue to be a designated pipeline.
- (5) In conducting a review under this section, the AER must—
  - (a) have regard to—
    - (i) the national gas objective; and
    - (ii) whether there has been a material change in competition in a market served by the designated pipeline; and
  - (b) consult, in accordance with the Rules, with the public.
- (6) On the completion of a review under this section, the AER must prepare a report and—
  - (a) give the report to the MCE; and
  - (b) publish the report on its website.
- (7) The AER must also give a copy of the report to the service provider that has requested the review.

## **Chapter 4            General requirements for provision of pipeline services**

### **Part A1                Preliminary**

#### **130    Application of this Chapter**

- (1) This Chapter applies in relation to scheme pipelines and non-scheme pipelines.
- (2) Also, this Chapter, or a provision of this Chapter, applies to a person other than a service provider as if a reference in the Chapter or provision to a service provider were a reference to the person—
  - (a) if—
    - (i) this Chapter, or the provision, is prescribed by the Regulations for the purposes of this subsection; and
    - (ii) the person—
      - (A) is prescribed by the Regulations for the purposes of this subsection; or
      - (B) is a member of a class of persons prescribed by the Regulations for the purposes of this subsection; and
  - (b) subject to any modifications prescribed by the Regulations for the purposes of this subsection.



- (c) an associate of a service provider or a person referred to in paragraph (b),  
must not engage in conduct for the purpose of preventing or hindering the access of another person to a pipeline service provided by means of the pipeline.
- (2) For the purposes of subsection (1), a person is deemed to engage in conduct for a particular purpose if—
  - (a) the conduct is or was engaged in for that purpose or for a purpose that includes, or included, that purpose; and
  - (b) that purpose is or was a substantial purpose.
- (3) A person may be taken to have engaged in conduct for the purpose referred to in subsection (1) even though, after all the evidence has been considered, the existence of that purpose is ascertainable only by inference from the conduct of the person or of any other person or from other relevant circumstances.
- (4) Subsection (3) does not limit the manner in which the purpose of a person may be established for the purpose of subsection (1).
- (5) In this section—
  - (a) a reference to engaging in conduct is a reference to doing or refusing to do any act, including the following—
    - (i) refusing to supply a pipeline service;
    - (ii) without reasonable grounds, limiting or disrupting a pipeline service;
    - (iii) making, or giving effect to a provision of a contract or arrangement, arriving at, or giving effect to, a provision of an understanding, or requiring the giving of, or giving, a covenant; and
  - (b) a reference to refusing to do an act includes a reference to—
    - (i) refraining (otherwise than inadvertently) from doing that act; or



- (ii) making it known that that act will not be done.
- (6) Subsection (1) does not apply to conduct engaged in in accordance with an agreement, if the agreement was in force on 30 March 1995.

*Example—*

An example of conduct which may be prohibited if the requisite purpose is established is refusing to supply, or limiting or disrupting the supply of, a pipeline service to a user or prospective user for technical or safety reasons without reasonable grounds.

### **135 Service provider must comply with queuing requirements**

A service provider must comply with the queuing requirements of an applicable access arrangement or the Rules.

### **136 Compliance with pipeline interconnection principles**

Subject to section 91BF, a service provider must comply with the principles relating to the interconnection of pipelines and facilities (the *pipeline interconnection principles*) specified in the Rules.

### **136A Prohibition against increasing charges to subsidise particular development**

- (1) This section applies to a service provider for a transmission pipeline, other than a pipeline within a declared transmission system.
- (2) The service provider must not increase a charge for a pipeline service payable by an existing user to the service provider to subsidise the development of an extension, or expansion of the capacity, of the pipeline.
- (3) However, subsection (2) does not apply to a service provider if the service provider is exempt from complying with subsection (2) under the Rules.

- (4) Nothing in this section prevents a service provider from charging an existing user of the service provider for pipeline services provided by means of an extension, or expansion of the capacity, of a pipeline.

### **136B Prohibition on bundling of services**

A service provider must not make it a condition of the provision of a particular pipeline service to a prospective user that the prospective user accept another service from the service provider unless the bundling of the services is reasonably necessary.

### **136C Service providers must publish prescribed transparency information**

- (1) A service provider must—
  - (a) publish the information relating to pipelines and pipeline services specified in the Rules made for the purposes of this paragraph (the *prescribed transparency information*); and
  - (b) ensure the prescribed transparency information is published in accordance with the Rules.
- (2) However, subsection (1) does not apply to a service provider if the service provider is exempt from complying with subsection (1) under the Rules.

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## Part 2                      Structural and operational    separation requirements (ring    fencing)

### Division 1                  Interpretation

#### 137      Definitions

In this Part—

*additional ring fencing requirement* has the meaning given by section 143(1);

*marketing staff* has the meaning given by section 138;

*related business* means the business of producing, purchasing or selling natural gas or processable gas, but does not include purchasing or selling of natural gas or processable gas to the extent necessary—

- (a) for the safe and reliable operation of a pipeline; or
- (b) to enable a service provider to provide balancing services in connection with a pipeline.

#### 138      Meaning of marketing staff

- (1) A person is marketing staff of—
  - (a) a service provider, if the person—
    - (i) is an officer, employee, consultant or independent contractor or agent of the service provider; and
    - (ii) is directly involved in the sale, marketing or advertising of pipeline services (whether or not the person is also involved in other activities);
  - (b) an associate of a service provider, if the person—
    - (i) is an officer, employee, consultant or independent contractor or agent of the associate; and

- (ii) is directly involved in the sale, marketing or advertising of pipeline services (whether or not the person is also involved in other activities).
- (2) A person is not marketing staff of a service provider, or an associate of a service provider, if—
  - (a) the person’s function or role (as an officer, employee, consultant or independent contractor or agent of a service provider, or an associate of a service provider) is only to provide technical, administrative, legal and accounting services to that provider or associate; or
  - (b) the sale, marketing or advertising of pipeline services is only an incidental part of the person’s function or role (as an officer, employee, consultant or independent contractor or agent of a service provider, or an associate of a service provider).

*Example—*

A person in the position of general manager of marketing of a service provider or an associate of a service provider would be marketing staff whereas a person in the position of chief executive officer, or chief financial officer, of a service provider or an associate of a service provider would not be marketing staff.

## **Division 2                    Minimum ring fencing requirements**

### **139    Carrying on of related businesses prohibited**

A service provider must not carry on a related business.

### **140    Marketing staff and the taking part in related businesses**

- (1) A service provider must ensure that none of its marketing staff are officers, employees, consultants, independent contractors or agents of an associate of the service provider that takes part in a related business.
- (2) A service provider must ensure that none of its officers, employees, consultants, independent contractors or agents are

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marketing staff of an associate of the service provider that takes part in a related business.

#### **141 Accounts that must be prepared, maintained and kept**

A service provider must prepare, maintain and keep—

- (a) separate accounts in respect of pipeline services provided by means of every pipeline owned, operated or controlled by the service provider; and
- (b) a consolidated set of accounts in respect of the whole of the business of the service provider.

### **Division 3 Additional ring fencing requirements**

#### **142 Division does not limit operation of Division 2**

This Division does not limit Division 2.

#### **143 AER ring fencing determinations**

- (1) Subject to this Division and subject to and in accordance with the Rules, the AER may make a determination requiring a service provider or associate of a service provider named in the determination to do, or refrain from doing, a thing specified in the determination (an *additional ring fencing requirement*).
- (2) In specifying an additional ring fencing requirement the AER must have regard to the following principles:
  - (a) in the case where 1 part of the business of a service provider (*business unit A*) is providing pipeline services to another part of the business of the service provider (*business unit B*), the service provider must ensure that business unit A provides the pipeline services to business unit B as if business unit B were a separate unrelated entity;

- (b) in the case where a service provider is providing pipeline services to an associate of the service provider, the service provider must ensure that those services are provided as if the associate of the service provider were a separate unrelated entity;
  - (c) users and prospective users should have sufficient information in order to understand whether a service provider is complying with paragraph (a) or (b).
- (3) The AER must—
- (a) notify, in writing, the service provider or associate named in the AER ring fencing determination of the making of that determination; and
  - (b) give the service provider or associate a copy of the AER ring fencing determination.
- (4) An AER ring fencing determination must specify the date on and after which the service provider or associate of a service provider must do, or refrain from doing, a thing specified in the determination (a *notified compliance date*).
- (5) A notified compliance date must not be a date that is earlier than 10 business days after the date the service provider or associate of a service provider is given a copy of the AER ring fencing determination.
- (6) A service provider or associate of a service provider must comply with every additional ring fencing requirement specified in an AER ring fencing determination on and after the notified compliance date.

#### **144 AER to have regard to likely compliance costs of additional ring fencing requirements**

In making an AER ring fencing determination the AER must have regard to the likely costs that may be incurred by, as the case requires—

- (a) an efficient service provider; or
- (b) an efficient associate of a service provider,

in complying with an additional ring fencing requirement specified in the determination.

#### **145 Types of ring fencing requirements that may be specified in an AER ring fencing determination**

Without limiting what may be specified as an additional ring fencing requirement, the AER, in an AER ring fencing determination, may require a service provider to—

- (a) ensure that its business and business activities are conducted, structured and arranged in the particular manner specified;

*Example 1—*

An AER ring fencing determination may require the service provider to ensure that persons employed or engaged by the service provider in relation to the provision of pipeline services are not also associates, or employed by associates, of the service provider that take part in a related business and how this must be effected.

*Example 2—*

An AER ring fencing determination may require the service provider to put in place electronic, physical and procedural security measures in respect of the offices and computer systems of the service provider, and of the offices and computer systems of its associates, so that certain specified employees or persons engaged by the service provider do not have access to certain specified information.

- (b) in a specified manner, disclose, to the AER and to the public, specified information in a specified manner about its business operations, structure and arrangements, and its business activities.

## **Division 4 Associate contracts**

### **147 Service provider must not enter into or give effect to associate contracts that have anti-competitive effect**

A service provider must not—

- (a) enter into an associate contract that has; or
- (b) vary an associate contract so that contract, as varied, has; or
- (c) give effect to a provision of an associate contract that has,  
the purpose, or would have or be likely to have the effect, of substantially lessening competition in a market for natural gas services unless—
- (d) that associate contract is an approved associate contract; or
- (e) that provision is contained in an approved associate contract.

**148 Service provider must not enter into or give effect to associate contracts inconsistent with competitive parity rule**

- (1) A service provider must not—
  - (a) enter into an associate contract that is; or
  - (b) vary an associate contract so that contract, as varied, is; or
  - (c) give effect to a provision of an associate contract that is, inconsistent with the competitive parity rule unless—
  - (d) that associate contract is an approved associated contract; or
  - (e) that provision is contained in an approved associate contract.
- (2) For the purposes of subsection (1), and any Rules made for the purposes of that subsection, the competitive parity rule is the rule that a service provider must ensure that any pipeline services that the service provider provides to an associate of the service provider are provided to that associate as if that associate were a separate unrelated entity.



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## **Division 5 Exemptions from particular requirements**

### **148A Exemptions from particular requirements**

The Rules may make provisions with respect to exemptions from the requirements under section 139, 140, 141, 147 or 148.

## **Part 3 Negotiation of access**

### **148B Definition**

In this Part—

*relevant pipeline service* means a pipeline service provided, or to be provided, by means of a pipeline and includes a pipeline service provided, or to be provided, by an extension to, or expansion of the capacity of, a pipeline.

### **148C Access proposals**

A service provider must comply with the Rules relating to access to a relevant pipeline service made for the purposes of this section.

### **148D Duty to negotiate in good faith**

A user or prospective user seeking access to a relevant pipeline service and the service provider for the service must negotiate in good faith with each other about—

- (a) whether access can be granted to the user or prospective user; and
- (b) if access is to be granted—the terms and conditions for the provision of access to the user or prospective user.



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## Chapter 5 Access disputes

### Part 1 Interpretation and application

#### 149 Definitions

In this Chapter—

*access dispute pipeline*, in relation to an access dispute, means the pipeline the subject of the dispute;

*dispute hearing* means a hearing conducted by the relevant adjudicator for an access dispute for the purpose of making an access determination in relation to the dispute;

*party*, in relation to an access dispute, has the meaning given by section 154.

#### 150 Application of this Chapter to disputes arising under the Rules

- (1) The provisions of this Chapter applicable to the determination of an access dispute apply to the determination of any dispute arising under any provision of the Rules specified in the Rules for the purposes of this section.
- (2) This section applies subject to any modification of the provisions of this Chapter specified in the Rules.

#### 151 Chapter does not limit how disputes about access may be raised or dealt with

This Chapter does not limit how a dispute about access to a pipeline service may be raised or dealt with.

## **Part 2**                      **Notice of access dispute and other provisions**

### **Division 1**                **Notice of access dispute**

#### **152**    **Notice of access dispute**

- (1) This section applies if there is an access dispute between a user or prospective user and a service provider.
- (2) The user, prospective user or service provider may give a notice in writing to the following entity that the access dispute exists—
  - (a) for a scheme pipeline access dispute—the dispute resolution body;
  - (b) for a non-scheme pipeline access dispute—the AER.
- (3) A notice given under subsection (2) must—
  - (a) include information about—
    - (i) the matters (if any) on which agreement has been reached; and
    - (ii) the matters that are in dispute; and
    - (iii) any other matter specified by the Rules; and
  - (b) be accompanied by—
    - (i) if an access dispute is a scheme pipeline access dispute—the fee prescribed by the Regulations (if any); or
    - (ii) if an access dispute is a non-scheme pipeline access dispute—the fee set by the AER from time to time and specified on the AER’s website; and
  - (c) be given to any other party to any negotiations that gave rise to the dispute as soon as practicable after it is given to the dispute resolution body or AER; and
  - (d) be dealt with in accordance with the Rules.

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- (4) The user, prospective user, or service provider may not give a notice under subsection (2) if the dispute relates to a matter excluded from the operation of this Chapter by the Rules.

### 153 Withdrawal of notice

Subject to the Rules, a notice given under section 152 may be withdrawn—

- (a) in accordance with the Rules; and
- (b) at any time before an access determination is made in relation to the dispute.

## Division 2 Parties to an access dispute

### 154 Parties to an access dispute

- (1) The parties to an access dispute are—
- (a) the parties to any negotiations that gave rise to the access dispute; and
  - (b) if the dispute resolution body or AER (as the case requires) is of the opinion that the resolution of the access dispute may involve requiring another person to do something and that it is appropriate that the person be joined as a party—that other person; and
  - (c) if a small shipper is a party and has elected, in accordance with the Rules, for a user association to be joined as a party—the user association; and
  - (d) if the access dispute is a scheme pipeline access dispute—any other person who applies in writing, in accordance with the Rules, to be made a party and is accepted by the dispute resolution body as having a sufficient interest.

- (2) In this section—

*user association* means an association or body, whether incorporated or not—

- (a) the members of which include more than 1 user or prospective user; and
- (b) that represents and promotes the interests of those members in relation to the provision of pipeline services.

## **Part 3                      Alternative dispute resolution for access disputes**

### **Division 1                      Alternative dispute resolution for scheme pipeline access disputes**

#### **155      Dispute resolution body may require parties to engage in alternative dispute resolution**

- (1) This section applies if the dispute resolution body receives a notice of a scheme pipeline access dispute under section 152.
- (2) The dispute resolution body may require the parties to the dispute, in accordance with the Rules, to mediate, conciliate or engage in another alternative dispute resolution process for the purpose of resolving the dispute.
- (3) A party must comply with a requirement under subsection (2).

### **Division 2                      Mediation of access disputes involving small shippers**

#### **156      Small shipper may elect to have access dispute mediated**

A small shipper who is a party to an access dispute may, in accordance with the Rules, elect for the dispute to be resolved by mediation.

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## **157 Appointment of mediator**

- (1) This section applies if a small shipper makes an election under section 156.
- (2) The parties to the access dispute may agree to appoint, in accordance with the Rules, a mediator to resolve the dispute.
- (3) If the parties do not agree to the appointment of a mediator within a period specified by the Rules, the AER must—
  - (a) consult with the parties to the dispute about the appointment of a mediator; and
  - (b) after consultation, appoint a mediator the AER considers appropriate for the dispute.
- (4) A mediator must be a person who—
  - (a) is independent of the parties to the dispute; and
  - (b) is properly qualified to act in the resolution of the dispute; and
  - (c) has no direct or indirect interest in the outcome of the dispute.
- (5) If a mediator does not, for any reason, complete a mediation of a dispute, the parties to the dispute may agree to appoint, in accordance with the Rules, an alternative mediator to resolve the dispute.
- (6) However, if the parties do not agree to the appointment of an alternative mediator within a period specified by the Rules, the AER must appoint another mediator in the way set out under subsection (3).
- (7) If an alternative mediator does not, for any reason, complete a mediation of the dispute, the dispute must be determined by the relevant adjudicator for the dispute under Part 5.

## **158 Party's lawyer may be present at mediation**

A party to a mediation may have a lawyer present at the mediation.





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- (c) has no direct or indirect interest in the outcome of the dispute.
  - (5) If an arbitrator does not, for any reason, complete an arbitration of a dispute, the parties to the dispute may agree to appoint, in accordance with the Rules, an alternative arbitrator to resolve the dispute.
  - (6) However, if the parties do not agree to the appointment of an alternative arbitrator within a period specified by the Rules, the AER must appoint another arbitrator in the way set out under subsection (3).

## **Part 5                      Access determination**

### **Division 1                Determination of access disputes    generally**

#### **161      Determination of access dispute**

- (1) Unless the relevant adjudicator for an access dispute terminates the access dispute under Part 7, the relevant adjudicator must make a determination on access by the user or prospective user (as the case requires) (including a determination that does not require a service provider to provide access to any pipeline services).
- (2) In making an access determination, the relevant adjudicator must comply with this Chapter and the Rules.
- (3) An access determination may deal with any matter relating to access by the user or prospective user to the pipeline services specified by the Rules for the purposes of this subsection.
- (4) The Rules may also, in connection with the making of an access determination, contain provisions for or with respect to such things as—
  - (a) the form of any determination; and

- (b) the content of any determination, including as to the giving of reasons; and
- (c) the time within which a determination must be made; and
- (d) the process for making a determination; and
- (e) when a determination takes effect; and
- (f) the giving of notice of the making of a determination; and
- (g) the publication of an access determination and other information related to the determination, including a statement of reasons for making the access determination, relevant financial calculations and any reports.

## **162 Matters to be taken into account for access disputes**

In making an access determination, the relevant adjudicator for an access dispute the subject of the determination must take into account any matters specified in the Rules for the purposes of this section.

## **163 Restrictions on access determinations**

- (1) An access determination must not have any of the following effects:
  - (a) preventing a user from obtaining a sufficient amount of a pipeline service under a contract or previous access determination to be able to meet the user's reasonably anticipated requirements, measured at the time the access dispute was notified;
  - (b) preventing a user or prospective user from obtaining, by the exercise of a pre-notification right, a sufficient amount of a pipeline service to be able to meet the user's or prospective user's actual requirements;
  - (c) depriving a person of a relevant protected contractual right.

(2) In this section—

*pre-notification right* means a right under a contract, or under an access determination, that was in force at the time when the access dispute was notified under section 152;

*relevant exclusivity right* means an express contractual right that arose on or after 30 March 1995 that—

- (a) prevents a service provider supplying pipeline services to persons who are not parties to the contract; or
- (b) limits or controls a service provider's ability to supply pipeline services to persons who are not parties to the contract,

but does not include a user's contractual right to obtain a certain amount of pipeline services;

*relevant protected contractual right* means a right under a contract (other than a relevant exclusivity right) that was in force immediately before the notification of an access dispute under section 152.

## 164 Access determinations and part contributions of capital to fund installations or the construction of new facilities

- (1) In making an access determination, the relevant adjudicator for an access dispute the subject of the determination may take into account past contributions of capital to fund installations or the construction of new facilities for the access dispute pipeline.
- (2) Without limiting section 74, the Rules may—
  - (a) specify the matters that the relevant adjudicator must address in making that access determination; and
  - (b) specify the content of that access determination.

## **Division 2                      Particular provisions relating to scheme pipeline access disputes**

### **165      Access determination must give effect to applicable access arrangement**

- (1) This section applies subject to sections 161, 164 and 166 and any Rules made for the purposes of this Part.
- (2) In making an access determination for a scheme pipeline access dispute, the dispute resolution body must give effect to the applicable access arrangement (the *relevant applicable access arrangement*)—
  - (a) applying to the pipeline services provided, or to be provided, by means of the access dispute pipeline; and
  - (b) in effect at the time the determination is made.
- (3) Subsection (2) applies even though the relevant applicable access arrangement may not have been in force when notice of the access dispute was given.

### **166      Rules may allow determination that varies applicable access arrangement for installation of a new facility**

- (1) This section applies in relation to an access determination for a scheme pipeline access dispute that requires—
  - (a) a service provider to install or construct a new facility to expand the capacity of the access dispute pipeline; and
  - (b) the user or prospective user who is a party to the access dispute to contribute some or all of the capital to fund the installation or construction of the new facility.
- (2) Without limiting section 74, the Rules may—
  - (a) confer a function or power on the dispute resolution body, when making the access determination, to vary the applicable access arrangement; and
  - (b) specify the matters that the dispute resolution body must address in making the access determination; and

- (c) specify the kinds of variations that may be made to the applicable access arrangement; and
- (d) specify the content of the access determination.

## **Part 6**

# **Variation of access determinations**

### **167 Variation of access determination—scheme pipeline disputes**

- (1) This section applies in relation to an access determination for a scheme pipeline access dispute.
- (2) The dispute resolution body may vary the access determination on the application of any party to the determination, but cannot vary the final determination if any other party objects.

*Note—*

If the parties cannot agree on a variation, a new access dispute can be notified under section 152.

- (3) Section 163 applies to a variation under this section as if—
  - (a) an access dispute arising out of the access determination had been notified when the application was made to the dispute resolution body for the variation of the determination; and
  - (b) the variation were the making of an access determination in the terms of the varied determination.

### **168 Variation of access determination—non-scheme pipeline disputes**

- (1) This section applies in relation to an access determination for a non-scheme pipeline access dispute.
- (2) The access determination may be varied by agreement between all parties to the access determination.

- (3) The Rules may also contain provisions with respect to seeking variations to an access determination.
- (4) The provisions of this Chapter about the arbitration of an access dispute apply with necessary modifications to a proposal under the Rules to vary an access determination or to a dispute arising out of such a proposal.

## Part 7 Termination of access dispute

### 169 Relevant adjudicator may terminate access dispute in particular circumstances

- (1) The relevant adjudicator for an access dispute may at any time terminate the access dispute (without making an access determination) if—
  - (a) the notice of dispute given under section 152 is withdrawn; or
  - (b) the relevant adjudicator considers that—
    - (i) the pipeline service the subject of the access dispute could be provided on a genuinely competitive basis by a person other than the service provider or an associate of the service provider; or
    - (ii) the notice of the access dispute was vexatious; or
    - (iii) the subject matter of the dispute is trivial, misconceived or lacking in substance; or
    - (iv) the party who notified the access dispute did not negotiate in good faith; or
    - (v) a specified dispute termination circumstance has occurred; or
    - (vi) there is some other good reason why the dispute should be terminated.
- (2) Subject to section 163, the relevant adjudicator for an access dispute may also terminate the access dispute (without

making an access determination) if the relevant adjudicator considers that the aspect of access about which there is a dispute is expressly or impliedly dealt with under a contract between the user or prospective user and the service provider.

- (3) Furthermore, a relevant adjudicator who is an arbitrator for a non-scheme pipeline access dispute may terminate an arbitration (without making an access determination) if the arbitrator considers that the user or prospective user seeking access is not engaging in the arbitration in good faith.
- (4) In this section—

*specified dispute termination circumstance* means a circumstance specified by the Rules as being a circumstance, the occurrence of which, entitles the relevant adjudicator for an access dispute to terminate the access dispute (without making an access determination).

## Part 8 Compliance with access determinations

### 170 Compliance with access determination

- (1) Subject to the Rules and subsection (2)—
  - (a) a party to a scheme pipeline access dispute in respect of which an access determination is made must comply with the access determination; and
  - (b) an access determination in relation to a non-scheme pipeline is enforceable as if it were a contract between the parties to the access determination.

*Note—*

See also Chapter 8 Part 6 in relation to the enforcement of access determinations.

- (2) A user or prospective user of a pipeline service to which an access determination relates is not bound to seek access to the service.

- (3) However, if a user or prospective user of a pipeline service seeks or obtains access, the user or prospective user is bound by any relevant provision of the access determination.

### **171 Subsequent service providers bound by access determinations**

- (1) An access determination applies to every subsequent service provider as if that subsequent service provider were a party to the access dispute in respect of which the access determination was made.
- (2) In this section—
- subsequent service provider* means a service provider (other than the service provider to whom the access determination applies) who provides pipeline services—
- (a) the subject of the access dispute; and
  - (b) in respect of which the access determination was made.

## **Part 9 Access dispute hearing procedure**

### **172 Part applies subject to any modifications prescribed by the Regulations**

This Part applies subject to any modifications prescribed by the Regulations.

### **173 Fast track resolution process—scheme pipeline access disputes**

A scheme pipeline access dispute may be dealt with in accordance with a fast track resolution process under the Rules in the circumstances provided for in the Rules.



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## **174 Hearing to be in private**

- (1) A dispute hearing is to be in private.
- (2) However, if the parties agree, a dispute hearing or part of a dispute hearing may be conducted in public.
- (3) The relevant adjudicator for an access dispute the subject of the dispute hearing may give written directions as to the persons who may be present at a dispute hearing that is conducted in private.
- (4) In giving directions under subsection (3), the relevant adjudicator must have regard to the wishes of the parties and the need for commercial confidentiality.

## **175 Right to representation**

In a dispute hearing, a party may appear in person or be represented by another person.

## **176 Procedure of relevant adjudicator**

- (1) In a dispute hearing the relevant adjudicator for an access dispute—
  - (a) is not bound by technicalities, legal forms or rules of evidence; and
  - (b) must act as speedily as a proper consideration of the access dispute allows, having regard to the need to carefully and quickly inquire into and investigate the access dispute and all matters affecting the merits, and fair settlement, of the access dispute; and
  - (c) may inform itself about any matter relevant to the access dispute in any way it thinks appropriate.
- (2) The relevant adjudicator may determine the periods that are reasonably necessary for the fair and adequate presentation of the respective cases of the parties in the dispute hearing, and may require that the cases be presented within those periods.

- (3) The relevant adjudicator may require evidence or argument to be presented in writing, and may decide the matters on which the relevant adjudicator will hear oral evidence or argument.
- (4) The relevant adjudicator may determine that a dispute hearing is to be conducted by—
  - (a) telephone; or
  - (b) closed circuit television; or
  - (c) any other means of communication.
- (5) The Rules may make further provision about the procedure for the conduct of dispute hearings.

### **177 Particular powers of relevant adjudicator in a hearing**

- (1) The relevant adjudicator for an access dispute may do any of the following things for the purpose of determining the access dispute:
  - (a) give a direction in the course of, or for the purpose of, a dispute hearing;
  - (b) hear and determine the access dispute in the absence of a party who has been given notice of the dispute hearing;
  - (c) sit at any place;
  - (d) adjourn to any time and place;
  - (e) refer any matter to an independent expert and accept the expert's report as evidence.
- (2) The relevant adjudicator may make an interim determination.

### **178 Role of a dispute resolution expert**

- (1) This section applies if, for the purpose of determining an access dispute, a matter is referred to an independent expert under section 177(1)(e).
- (2) The expert is to be appointed on terms and conditions determined by the relevant adjudicator for the access dispute.

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- (3) The expert must report to the relevant adjudicator in accordance with the requirements of the relevant adjudicator.
  - (4) The independent expert must—
    - (a) have knowledge and experience that is relevant to the matter; and
    - (b) not have any material direct or indirect interest or association that compromises, or is likely to compromise, the impartiality of the expert; and
    - (c) disclose to the relevant adjudicator any material or indirect interest or association that compromises, or would reasonably be seen to compromise, the impartiality of the expert.

## **179 Disclosure of information**

- (1) The relevant adjudicator for an access dispute may give an oral or written order to a person not to divulge or communicate to anyone else specified information that was given to the person in the course of the access dispute unless the person has the relevant adjudicator's permission.
- (2) A person must not, without reasonable excuse, refuse or fail to comply with an order under subsection (1).

Maximum penalty:

- (a) in the case of a natural person—\$3 400;
- (b) in the case of a body corporate—\$17 000.

*Note—*

See Schedule 2 clause 47B, which provides for criminal penalty amounts to be adjusted every 3 years to reflect movements in the consumer price index. The adjusted amounts are published on the AER's website.

## **180 Power to take evidence on oath or affirmation**

- (1) The relevant adjudicator for an access dispute may take evidence on oath or affirmation and for that purpose the relevant adjudicator may administer an oath or affirmation.

- (2) The relevant adjudicator may summon a person to appear before the relevant adjudicator to—
  - (a) give evidence; or
  - (b) produce such documents (if any) as are referred to in the summons; or
  - (c) give evidence and produce such documents (if any) as are referred to in the summons.
- (3) The powers in this section may be exercised only for the purposes of hearing and determining the access dispute.

### **181 Failing to attend as a witness**

A person who is served, as prescribed by the Regulations, with a summons to appear as a witness at a dispute hearing before the relevant adjudicator for an access dispute must not, without reasonable excuse—

- (a) fail to attend as required by the summons; or
- (b) fail to appear and report from day to day unless excused, or released from further attendance, by the relevant adjudicator.

Maximum penalty: \$6 300.

*Note—*

See Schedule 2 clause 47B, which provides for criminal penalty amounts to be adjusted every 3 years to reflect movements in the consumer price index. The adjusted amounts are published on the AER's website.

### **182 Failing to answer questions etc**

- (1) A person appearing at a dispute hearing as a witness before the relevant adjudicator for an access dispute the subject of the dispute hearing must not, without reasonable excuse—
  - (a) refuse or fail to be sworn or to make an affirmation; or
  - (b) refuse or fail to answer a question that the person is required to answer by the relevant adjudicator; or

- 
- (c) refuse or fail to produce a document that the person is required to produce by a summons under this Chapter served on the person as prescribed by the Regulations.

Maximum penalty: \$6 300.

*Note—*

See Schedule 2 clause 47B, which provides for criminal penalty amounts to be adjusted every 3 years to reflect movements in the consumer price index. The adjusted amounts are published on the AER's website.

- (2) It is a reasonable excuse for the purposes of subsection (1) for a natural person to refuse or fail to answer a question or produce a document on the ground that the answer or the production of the document might—
- (a) tend to incriminate the person; or
- (b) expose the person to a criminal penalty.
- (3) Subsection (2) does not limit what is a reasonable excuse for the purposes of subsection (1).

## **183 Intimidation etc**

A person must not—

- (a) threaten, intimidate or coerce another person; or
- (b) cause or procure damage, loss or disadvantage to another person,

because that other person—

- (c) proposes to produce, or has produced, documents to the relevant adjudicator for a dispute hearing; or
- (d) proposes to appear, or has appeared, as a witness before the relevant adjudicator for a dispute hearing.

Maximum penalty: \$6 300.

*Note—*

See Schedule 2 clause 47B, which provides for criminal penalty amounts to be adjusted every 3 years to reflect movements in the

consumer price index. The adjusted amounts are published on the AER's website.

## **184 Particular powers of a relevant adjudicator in a hearing**

- (1) A party in a dispute hearing may—
  - (a) inform the relevant adjudicator for an access dispute the subject of the dispute hearing that, in the party's opinion, a specified part of a document contains confidential information (the *relevant part of the document*); and
  - (b) request the relevant adjudicator not to give a copy of the relevant part of the document to another party.
- (2) On receiving a request, the relevant adjudicator must—
  - (a) inform the other party or parties that the request has been made and of the general nature of the matters to which the relevant part of the document relates; and
  - (b) ask the other party or parties whether there is any objection to the relevant adjudicator complying with the request.
- (3) If there is an objection to the relevant adjudicator complying with the request, the party objecting may inform the relevant adjudicator of the objection and of the reasons for it.
- (4) The relevant adjudicator must consider—
  - (a) a request; and
  - (b) any objection; and
  - (c) any further submissions that any party has made in relation to the request.
- (5) After considering the matters mentioned in subsection (4), the relevant adjudicator may decide—
  - (a) not to give the other party or parties a copy of any part of the relevant part of the document that the relevant adjudicator thinks should not be given; or

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- (b) to give the other party or another specified party a copy of the whole, or part, of the relevant part of the document subject to —
- (i) a condition that the party give an undertaking not to disclose the information contained in the relevant part of the document to another person except to the extent specified by the relevant adjudicator; and
  - (ii) any other condition the relevant adjudicator considers appropriate.

## **Part 10                      Costs**

### **Division 1                      Scheme pipeline access disputes**

#### **185      Costs—scheme pipeline access disputes**

- (1) Each party to a scheme pipeline access dispute is to bear its own costs in a dispute hearing except to the extent that an order under this section specifies otherwise.
- (2) At any time, the dispute resolution body may order that a party (other than a small shipper) pay all or a specified part of the costs of another party in a dispute hearing.
- (3) The dispute resolution body may make an order under subsection (2) only if satisfied that it is fair to do so, having regard to—
  - (a) whether a party has conducted the dispute hearing in a way that unnecessarily disadvantaged another party by conduct such as—
    - (i) failing to comply with an order or direction of the dispute resolution body without reasonable excuse; or
    - (ii) failing to comply with this Law, the Regulations or the Rules; or

- (iii) asking for an adjournment as a result of subparagraph (i) or (ii); or
  - (iv) causing an adjournment; or
  - (v) attempting to deceive another party or the dispute resolution body; or
  - (vi) vexatiously conducting an access dispute; and
- (b) whether a party has been responsible for prolonging unreasonably the time taken to complete the dispute hearing; and
  - (c) the relative strengths of the claims made by each of the parties, including whether a party has made a claim that has no tenable basis in fact or law; and
  - (d) the nature and complexity of the access dispute; and
  - (e) any other matter the dispute resolution body considers relevant.
- (4) A party to whom an order made under subsection (2) is directed must comply with the order.
  - (5) If the dispute resolution body considers that the representative of a party, rather than the party, is responsible for conduct described in subsection (3)(a) or (b), the dispute resolution body may order that the representative in the representative's own capacity compensate another party for any costs incurred unnecessarily.
  - (6) Before making an order under subsection (5), the dispute resolution body must give the representative a reasonable opportunity to be heard.
  - (7) A representative of a party to whom an order made under subsection (5) is directed must comply with the order.
  - (8) If the dispute resolution body makes an order for costs before the end of an access dispute, the dispute resolution body may require that the order be complied with before it continues with the proceeding.
  - (9) If the dispute resolution body makes an order for costs, the dispute resolution body may fix the amount of costs itself.



- (10) This section applies to costs incurred by the parties in a dispute hearing even if the notice of the access dispute to which the dispute hearing relates is withdrawn.

**186 Outstanding costs are a debt due to party awarded the costs—scheme pipelines**

Costs that are payable under section 185(4) or (7)—

- (a) are a debt due to the party to whom the dispute resolution body has ordered that they be paid; and
- (b) may be recovered by that party in a court of competent jurisdiction.

**187 Regulations about the costs to be paid by parties to access dispute—scheme pipelines**

The Regulations may provide for the dispute resolution body to—

- (a) charge the parties to an access dispute for its costs in the access dispute; and
- (b) apportion those costs between the parties.

**Division 2 Non-scheme pipeline disputes**

**188 Costs of arbitration of non-scheme pipeline disputes**

- (1) This section applies in relation to the parties to an arbitration of a non-scheme pipeline dispute conducted under this Chapter.
- (2) Despite any other provision of this Chapter, the parties to the arbitration bear their own costs.
- (3) The costs of the arbitration (including costs associated with the arbitration process and the cost of the arbitrator) must be shared equally between the parties to the arbitration.

- (4) The Rules may make provision in relation to the costs of an arbitration conducted under this Chapter, including rules that provide for a different approach to allocating costs under subsection (3) in specified circumstances.
- (5) Costs that are payable to the arbitrator under this section—
  - (a) are a debt due by the party to the arbitrator; and
  - (b) may be recovered by the arbitrator in a court of competent jurisdiction.

### **Division 3                      Mediation of access disputes    involving small shippers**

#### **189      Costs of mediation of access disputes involving small shippers**

- (1) This section applies in relation to an access dispute involving small shippers that is referred to mediation under this Chapter.
- (2) The parties to the mediation bear their own costs.
- (3) The costs of the mediation (including costs associated with the mediation process and the cost of the mediator) must be shared equally between the parties to the mediation.
- (4) Subsections (2) and (3) apply subject to any agreement between the parties to the access dispute about who will bear any costs (or a particular share of any costs) in the particular case.
- (5) Costs that are payable to the mediator under this section—
  - (a) are a debt due by the party to the mediator; and
  - (b) may be recovered by the mediator in a court of competent jurisdiction.

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## Part 11                      **Joint access dispute hearings—scheme pipeline disputes**

### 190      **Definition**

In this Part—

*nominated disputes* has the meaning given by section 191(2).

### 191      **Joint dispute hearing**

- (1) This section applies if—
  - (a) the dispute resolution body is conducting 2 or more dispute hearings in relation to scheme pipeline access disputes at a particular time; and
  - (b) one or more matters are common to the access disputes in relation to which the dispute hearings are being conducted.
- (2) The dispute resolution body may, by notice in writing, decide that it will hold a joint dispute hearing in respect of such of those access disputes (the *nominated disputes*) as are specified in the notice.
- (3) The dispute resolution body may do so only if it considers this would be likely to result in the nominated disputes being resolved in a more efficient and timely manner.

### 192      **Consulting the parties**

- (1) Before making a decision under section 191(2), the dispute resolution body must give each party to each of the nominated disputes a notice in writing—
  - (a) specifying what the dispute resolution body is proposing to do; and

- (b) inviting the party to make a written submission on the proposal to the dispute resolution body within 10 business days after the notice is given.
- (2) The dispute resolution body must have regard to any submission so made in deciding whether to do so.
- (3) The dispute resolution body may also have regard to any other matter it considers relevant.

### **193 Constitution and procedure of dispute resolution body for joint dispute hearings**

Part 9 applies to the joint dispute hearing in a corresponding way to the way in which it applies to a particular dispute hearing.

### **194 Record of proceedings etc**

- (1) The dispute resolution body as constituted for the purposes of the joint dispute hearing may have regard to any record of the proceedings of the dispute of any of the nominated disputes.
- (2) The dispute resolution body as constituted for the purposes of the dispute hearing of each of the nominated disputes may, for the purposes of making an access determination in relation to the access dispute to which that hearing relates—
  - (a) have regard to any record of the proceedings of the joint dispute hearing; and
  - (b) adopt any findings of fact made by the dispute resolution body as constituted for the purposes of the joint dispute hearing.

## **Part 12 Miscellaneous matters**

### **195 Correction of access determinations for clerical mistakes etc**

- (1) This section applies if an access determination contains—

- (a) a clerical mistake; or
  - (b) an error arising from an accidental slip or omission; or
  - (c) a material miscalculation of figures or a material mistake in the description of any person, thing or matter referred to in the determination; or
  - (d) a defect in form.
- (2) Subject to the Rules, the relevant adjudicator for the access dispute the subject of the dispute hearing may correct the determination.

### **196 User's existing capacity rights during an access dispute**

A service provider who is in an access dispute with a user must not, without the consent of the user, alter the rights that the user has to use the capacity of the pipeline during the period of the dispute.

## **Chapter 7 The Natural Gas Services Bulletin Board**

### **Part 1 AEMO to be Bulletin Board operator**

#### **217 AEMO to be Bulletin Board operator**

AEMO is responsible for the operation of the Natural Gas Services Bulletin Board.

#### **218 AEMO's obligation to maintain Bulletin Board**

- (1) AEMO must maintain the Natural Gas Services Bulletin Board.

- (2) The Natural Gas Services Bulletin Board—
  - (a) must be maintained as a website; and
  - (b) must contain information of the kind specified in the Rules in relation to the natural gas industry.
- (3) AEMO may replace the website with another website containing information of the kind specified in the Rules in relation to the natural gas industry.

## **219 AEMO's other functions as operator of Natural Gas Services Bulletin Board**

AEMO also has, in its capacity as operator of the Natural Gas Services Bulletin Board, the following functions:

- (a) to collect and collate Bulletin Board information;
- (b) to collect and collate other information in relation to the natural gas industry for inclusion on the Natural Gas Services Bulletin Board;
- (c) to derive from information of the type mentioned in paragraphs (a) and (b) information for inclusion on the Natural Gas Services Bulletin Board;
- (d) subject to the Rules, to publish information on the Natural Gas Services Bulletin Board of the kinds that may or must be included on the Natural Gas Services Bulletin Board under the Rules;
- (e) to manage information of the type mentioned in paragraphs (a), (b) and (c);
- (f) the other functions conferred on AEMO in its capacity as the operator of the Natural Gas Services Bulletin Board by this Law, the Rules or any other law prescribed by the Regulations for the purposes of this paragraph.

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## **222 Fees for services provided**

- (1) AEMO may charge a fee specified, or a fee calculated in accordance with a formula or methodology specified, in the Rules for access by a person to—
  - (a) the Natural Gas Services Bulletin Board; or
  - (b) Bulletin Board information.
- (2) The fee must not be such as to amount to taxation.

## **Part 2 Bulletin Board information**

### **223 Obligation to give information to AEMO**

- (1) A person who has possession or control of information in relation to the natural gas industry must give the information to AEMO for use by AEMO in connection with the Natural Gas Services Bulletin Board if the person is required to do so under the Rules.
- (2) The information must be given to AEMO in accordance with the Rules.
- (3) Subsection (1) does not apply if the person is exempt under the Rules from giving the information.
- (4) Subsection (1) applies subject to any provision made by the Regulations as to any person, transaction or activity that is not to be the subject of any Rules made under this section.
- (5) AEMO must make available for the operation of the Bulletin Board information about natural gas, natural gas services or the use of natural gas that it acquires in its capacity as the operator or administrator of a regulated gas market.
- (6) Subsection (1) does not require—
  - (a) a person to disclose information that is the subject of legal professional privilege; or
  - (b) a natural person to disclose information that would incriminate the person or make the person liable to a

criminal penalty under the law of an Australian jurisdiction (whether or not the jurisdiction is a participating jurisdiction).

**224 Person cannot rely on duty of confidence to avoid compliance with obligation**

A person must not refuse to comply with the requirement in section 223(1) or under section 226A on the ground of any duty of confidence.

**225 Giving false and misleading information**

A person must not give Bulletin Board information to AEMO or the AER that the person knows is false or misleading in a material particular.

**226 Immunity of persons giving information to AEMO or AER**

- (1) A person who gives Bulletin Board information to AEMO or the AER does not incur any civil monetary liability for an act or omission in giving that information unless the act or omission is done or made in bad faith or through negligence.
- (2) The civil monetary liability for an act or omission of a kind referred to in subsection (1) done or made through negligence may not exceed the prescribed maximum amount.
- (3) The Regulations may, for the purposes of subsection (2), without limitation do all or any of the following:
  - (a) prescribe a maximum amount that is limited in its application to persons, events, circumstances, losses or periods specified in the Regulations;
  - (b) prescribe maximum amounts that vary in their application according to the persons to whom or the events, circumstances, losses or periods to which they are expressed to apply;
  - (c) prescribe the manner in which a maximum amount is to be divided amongst claimants.



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- (4) A person mentioned in subsection (1) may enter into an agreement with another person varying or excluding the operation of a provision of this section and, to the extent of that agreement, that provision does not apply.

### **226A Provision of certain information to AER**

- (1) Without limiting any other provision, the Rules may provide for—
- (a) requirements for persons subject to the operation of this Chapter to give to the AER gas price assumptions and forecasts connected with estimates of reserves and resources; and
  - (b) requirements to ensure that information satisfies the requirements of the Rules; and
  - (c) requirements for the AER to publish information obtained under paragraph (a) on an anonymised basis.
- (2) The AER, in relation to information given to the AER in compliance with a requirement under subsection (1), is to treat the information as having been given to it in confidence and is authorised to disclose the information in accordance with Chapter 10 Part 2 Division 1.

## **Part 3 BB Procedures**

### **227 BB Procedures**

AEMO may, in accordance with the Rules, make BB Procedures.

### **228 Nature of BB Procedures**

- (1) BB Procedures are a form of statutory instrument directed at the regulation of the Natural Gas Services Bulletin Board.
- (2) The BB Procedures may deal with the following matters:

- (a) the matters specified by the Rules;
  - (b) any other matter relevant to the Natural Gas Services Bulletin Board on which this Law or the Rules contemplate the making of Procedures.
- (3) The BB Procedures—
- (a) may vary according to the persons, times, places or circumstances to which they are expressed to apply; and
  - (b) may confer functions or powers on, or leave any matter or thing to be decided by, AEMO; and
  - (c) may confer rights or impose obligations; and
  - (d) may confer power on AEMO to make or issue guidelines, tests, standards and other documents of an administrative nature; and
  - (e) may confer power on AEMO to require a person on whom a right is conferred, or an obligation imposed, under the Procedure—
    - (i) to comply with a guideline, standard or other document of an administrative nature; or
    - (ii) to conduct, or submit to, a test designed by AEMO under the Procedures; and
  - (f) may exempt, or confer a power of exemption, from the application of the Procedures or specified provisions of the Procedures; and
  - (g) may contain provisions of a savings or transitional nature.
- (4) AEMO must not, without the consent of the MCE, make Procedures that confer a right or function, or impose an obligation, on the MCE or a Minister of a participating jurisdiction.
- (5) The BB Procedures cannot—
- (a) create an offence; or
  - (b) provide for a criminal or civil penalty.

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## **228A Compliance with BB Procedures**

- (1) AEMO and each person to whom the BB Procedures are applicable must comply with the Procedures.
- (3) If AEMO has reason to believe that a person is not complying with the BB Procedures, it may, by notice in writing, direct the person to comply with relevant provisions of the BB Procedures.
- (4) A person to whom a direction is addressed under subsection (3) must comply with the direction.

# **Chapter 7A Access to operational transportation services**

## **Part 1 Standard terms for operational transportation services**

### **228B Transportation service provider to publish standard OTSA**

- (1) A transportation service provider for a transportation facility must, in accordance with the Rules, prepare and publish on its website a form of operational transportation agreement in respect of the transportation facility that complies with the applicable requirements of the Rules and the Operational Transportation Service Code (a *standard OTSA*) unless—
  - (a) the provider is exempted from the requirement under this section to prepare and publish a standard OTSA in respect of that transportation facility by or under the Rules; or
  - (b) the provider is exempted by the AER from the requirement under this section in respect of that transportation facility by or under this Law or the Rules.

- (2) A transportation service provider for a transportation facility in respect of which a standard OTSA must be prepared and published under this section must, where required by the Rules or the Operational Transportation Service Code, prepare and publish on its website an amended standard OTSA in respect of the transportation facility.
- (3) A transportation service provider for a transportation facility may, where permitted by the Rules or the Operational Transportation Service Code, prepare and publish on its website an amended standard OTSA in respect of the transportation facility.

### **228C Formation of contracts on standard terms**

- (1) A transportation service provider for a transportation facility must on request by any person made in respect of the transportation facility—
  - (a) make an offer to enter into the standard OTSA for the transportation facility in accordance with the Rules; and
  - (b) if the offer is accepted, enter into the agreement in accordance with the Rules.
- (2) Subsection (1) does not apply to a transportation service provider in respect of a transportation facility—
  - (a) if the provider is exempted from compliance with that subsection in respect of that transportation facility in accordance with the Rules; or
  - (b) if the provider is exempted by the AER from compliance with that subsection in respect of that transportation facility under this Law or the Rules; or
  - (c) in other circumstances specified by the Rules.
- (3) A standard OTSA takes effect as a contract between the transportation service provider and another person when—
  - (a) the other person accepts the transportation service provider's offer to enter into the standard OTSA and enters into the OTSA; and

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- (b) any pre-conditions to the formation of the contract are satisfied.
  - (4) A contract formed in accordance with subsection (3) may be amended in accordance with its terms.
  - (5) A contract formed in accordance with subsection (3) expires and may be terminated in accordance with its terms.

### **228D Exemptions from obligations under section 228B or 228C**

- (1) A transportation service provider for a transportation facility may request the AER to exempt that person from an obligation imposed under section 228B or 228C in respect of that transportation facility.
- (2) A request under subsection (1) must be made in accordance with the Rules.
- (3) On receipt of a request under subsection (1), the AER may, subject to the Rules, grant the person the exemption.
- (4) An exemption granted under subsection (3) may be subject to such terms and conditions as may be required by the Rules or as the AER considers appropriate in accordance with the Rules.

### **228E Requirements relating to standard OTSA**

Without limiting any other provision, the Rules may make provision for or with respect to such things as—

- (a) the time and manner of preparation and publication of a standard OTSA; and
- (b) the form and content of a standard OTSA, including the transportation services that may be available for use under a standard OTSA; and
- (c) offers for, and entry into, a standard OTSA; and
- (d) amendments to a standard OTSA and contracts in the form of a standard OTSA; and
- (e) matters of a savings or transitional nature.

## **228F Service provider may enter into agreements different from a standard OTSA**

Subject to section 83C, nothing in this Law is to be taken as preventing a transportation service provider from entering into an operational transportation service agreement with a transportation facility user or a prospective transportation facility user that is different to a standard OTSA prepared and published by the transportation service provider under section 228B.

## **Part 2 Operational Transportation Service Code**

### **228G Operational Transportation Service Code**

The AER may, in accordance with the Rules—

- (a) amend the initial Operational Transportation Service Code; and
- (b) from time to time make subsequent amendments to the Code.

### **228H Nature of the Operational Transportation Service Code**

- (1) The Operational Transportation Service Code (the *Code*) is—
  - (a) the initial Operational Transportation Service Code; or
  - (b) if the initial Operational Transportation Service Code is amended under section 228G—that Code as amended and as subsequently amended from time to time under that section.
- (2) The Code is made under the Rules and specifies the content of, or requirements for the content of, a standard OTSA, including the transportation services that may be provided under a standard OTSA and the terms and conditions applicable to the use of those transportation services.
- (3) The Code may deal with the following matters:

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- (a) the matters specified by the Rules;
  - (b) any other matter relevant to a standard OTSA that this Law or the Rules contemplates being dealt with in the Code.
- (4) The Code may specify provisions or classes of provisions that—
- (a) confer rights or impose obligations under a standard OTSA; and
  - (b) vary according to the persons, times, places or circumstances to which they are expressed to apply; and
  - (c) must be made by a transportation service provider in accordance with the Rules or Code and incorporated in a standard OTSA; and
  - (d) must not be included in a standard OTSA.
- (5) The Code may contain provisions of a savings or transitional nature.
- (6) The AER must not, without the consent of the MCE, make a provision in the Code that confers a right or function, or imposes an obligation, on the MCE or a Minister of a participating jurisdiction.
- (7) The Code cannot—
- (a) create an offence; or
  - (b) provide for a criminal or civil penalty.

## **Part 3                      Other matters relating to access to operational transportation services**

### **228I    Service requirements may be specified in the Rules**

Without limiting any other provision, the Rules may make provision for or with respect to the following:

- (a) principles that must be complied with when preparing terms and conditions for a standard OTSA;
- (b) charges under a standard OTSA and review of those charges by the AER;
- (c) the priority to be given to a transportation service;
- (d) the allocation to zones of points on a transportation facility where transportation services are provided and the provision and use of transportation services using zones;
- (e) the obligations of transportation service providers with respect to facilitating the operational transfer of transportation capacity;
- (f) the use of an operational transportation service after termination or suspension of the contract from which the transportation capacity was first derived;
- (g) requests by a transportation facility user for changes to the point on a transportation facility where natural gas may be injected or withdrawn;
- (h) the collection, recording and use of information about nominations and renominations for use of transportation services and the scheduling of that use.

## **228J When operational transfer must be offered**

- (1) If a transportation facility user states terms and conditions (the *first terms*) on which the user offers to grant to another person a right to use, directly or indirectly, the transportation capacity of the user without arranging for its transfer to the other person, the user must, on request by the person, state the terms and conditions on which the user will arrange for a transfer of the transportation capacity to the person for use under an operational transportation service agreement (the *second terms*).
- (2) If there is a difference in the price stated in the first terms and the second terms, the transportation facility user making the



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offer must include in the second terms a statement of the reasons for the difference.

## **228K Preventing or hindering access to operational transportation services**

- (1) A person who is—
- (a) a transportation service provider; or
  - (b) a transportation facility user; or
  - (c) an associate of a transportation service provider or a transportation facility user,

must not engage in conduct for the purpose of preventing or hindering the access of another person to an operational transportation service.

- (2) For the purposes of subsection (1), a person is deemed to engage in conduct for a particular purpose if—
- (a) the conduct is or was engaged in for that purpose or for a purpose that includes, or included, that purpose; and
  - (b) that purpose is or was a substantial purpose.
- (3) A person may be taken to have engaged in conduct for the purpose referred to in subsection (1) even though, after all the evidence has been considered, the existence of that purpose is ascertainable only by inference from the conduct of the person or of any other person or from other relevant circumstances.
- (4) Subsection (3) does not limit the manner in which the purpose of a person may be established for the purpose of subsection (1).
- (5) In this section—
- (a) a reference to engaging in conduct is a reference to doing or refusing to do any act, including the following:
    - (i) refusing to supply a transportation service or an operational transportation service;
    - (ii) without reasonable grounds, limiting or disrupting a transportation service or an operational

- transportation service or a transfer of transportation capacity;
- (iii) making, or giving effect to, a provision of a contract or arrangement, arriving at, or giving effect to, a provision of an understanding, or requiring the giving of, or giving, a covenant; and
- (b) a reference to refusing to do an act includes a reference to—
- (i) refraining (otherwise than inadvertently) from doing that act; or
  - (ii) making it known that that act will not be done.
- (6) Subsection (1) does not apply to conduct engaged in in accordance with an agreement (other than conduct in breach of this Law, the Regulations, the Rules or the Procedures), if the agreement was in force on 19 March 2018.

**228L Transportation service provider providing operational transportation services must not price discriminate**

- (1) A transportation service provider must not engage in price discrimination when providing operational transportation services.
- (2) Subsection (1) does not apply if the transportation service provider engages in price discrimination that is conducive to efficient service provision.

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## **Chapter 8 Proceedings under the National Gas Law**

### **Part 1 Proceedings generally**

#### **229 Instituting civil proceedings under this Law**

- (1) Proceedings may not be instituted in a court in respect of a breach of a provision of this Law, the Regulations, Rules or Procedures that is not an offence provision by any person except as provided for in this Chapter.
- (2) The AER may, in accordance with Chapter 8 Part 2, institute civil proceedings in respect of a breach of—
  - (a) a provision of this Law that is not an offence provision (including a provision that is a civil penalty provision or conduct provision); or
  - (b) a provision of the Regulations that is not an offence provision (including a provision that is a civil penalty provision or conduct provision); or
  - (c) a provision of the Rules (including a provision that is a civil penalty provision or a conduct provision); or
  - (d) a provision of the Procedures.
- (3) A person other than the AER may, in accordance with Chapter 8 Part 2, institute civil proceedings in respect of a breach of a conduct provision.

#### **230 Time limits within which proceedings may be instituted**

- (1) The AER may only institute a proceeding for a breach, by a person, of a provision of this Law, the Regulations, the Rules or the Procedures that is not an offence provision within 6 years after the date on which the breach occurred.

- (2) A person, other than the AER, may only institute a proceeding for a breach of a conduct provision by another person within 6 years after the date on which the breach occurred.

## **Part 1A                      Enforceable undertakings**

### **230A   Enforceable undertakings**

- (1) The AER may accept a written undertaking given by a person for the purposes of this section in connection with a matter in relation to which the AER has a function or power under this Law or the Rules.
- (2) A person may withdraw or vary the undertaking at any time, but only with the consent of the AER.
- (3) If the AER considers that the person who gave the undertaking has breached any of its terms, the AER may apply to the Court for an order under subsection (4).
- (4) If the Court is satisfied that the person has breached a term of the undertaking, the Court may make any or all of the following orders:
  - (a) an order directing the person to comply with that term of the undertaking;
  - (b) an order directing the person to pay the Commonwealth an amount up to the amount of any financial benefit that the person has obtained directly or indirectly and that is attributable to the breach;
  - (c) an order that the Court considers appropriate directing the person to compensate any other person who has suffered loss or damage as a result of the breach;
  - (d) any other order that the Court considers appropriate.

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## Part 2 Proceedings for breaches of this Law, Regulations, the Rules or the Procedures

### 231 AER proceedings for breaches of this Law, Regulations or the Rules that are not offences

- (1) The Court may make an order, on application by the AER on behalf of the Commonwealth, declaring that a person has breached a provision of this Law, the Regulations, the Rules or the Procedures that is not an offence provision.

*Note—*

A Supreme Court of a participating jurisdiction that is a State may hear an application by the AER under subsection (1) by operation of section 39(2) of the *Judiciary Act 1903* of the Commonwealth.

- (2) If the order declares a person has breached a provision of this Law, the Regulations, the Rules or the Procedures that is not an offence provision, the order may include 1 or more of the following:
- (a) an order that the person pay a civil penalty determined in accordance with this Law, the Regulations and the Rules if the breach is a breach of a civil penalty provision;
  - (b) an order that the person cease, within a specified period, the act, activity or practice constituting the breach;
  - (c) an order that the person take such action, or adopt such practice, as the Court requires for remedying the breach or preventing a recurrence of the breach;
  - (d) an order that the person implement a specified program for compliance with this Law, the Regulations, the Rules and the Procedures;
  - (da) an order that the person perform a specified service that relates to the breach and that is for the benefit of the community or a section of the community;

- (db) an order that the person, at the person's expense, engage—
    - (i) another person specified in the order; or
    - (ii) another person in a class of persons specified in the order,  
  
to perform a service that is specified in the order and that relates to the breach and that is for the benefit of the community or a section of the community;
  - (dc) an order to ensure that the person does not engage in further conduct of the same nature, or similar or related conduct, during the period of the order (which cannot exceed 3 years), including—
    - (i) an order that the person establish a compliance program or an education and training program for employees or other persons involved in the person's business, being a program designed to ensure their awareness of the responsibilities and obligations in relation to the conduct constituting the breach, or similar or related conduct; or
    - (ii) an order that the person revise the internal operations of the person's business that led to the person committing the breach;
  - (dd) an order that the person—
    - (i) disclose, in the way and to the persons specified in the order, specified information, being information that the person has possession of or access to; and
    - (ii) publish, at the person's expense and in the way specified in the order, an advertisement in the terms specified in, or determined in accordance with, the order;
  - (e) an order of a kind prescribed by the Regulations.
- (2a) An order under paragraph (db) of subsection (2) is not enforceable against a person mentioned in paragraph (db)(i) or (ii).

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- (3) If a person has engaged, is engaging or is proposing to engage in any conduct in breach of a provision of this Law, the Regulations, the Rules or the Procedures that is not an offence provision, the Court may, on application by the AER on behalf of the Commonwealth, grant an injunction—
    - (a) restraining the person from engaging in the conduct; and
    - (b) if, in the Court’s opinion, it is desirable to do so—requiring the person to do something.
  - (4) The power of the Court under subsection (3) to grant an injunction restraining a person from engaging in conduct of a particular kind may be exercised—
    - (a) if the Court is satisfied that the person has engaged in conduct of that kind—whether or not it appears to the Court that the person intends to engage again, or to continue to engage, in conduct of that kind; or
    - (b) if it appears to the Court that, if an injunction is not granted, it is likely that the person will engage in conduct of that kind—whether or not the person has previously engaged in conduct of that kind and whether or not there is an imminent danger of substantial damage to any person if the person engages in conduct of that kind.

**232 Proceedings for declaration that a person has breached a conduct provision**

- (1) The Court may make an order, on application by a person other than the AER, declaring that another person has breached a conduct provision.
- (2) If the order declares a person has breached a conduct provision, the order may include 1 or more of the following:
  - (a) an order that the person cease, within a specified period, the act, activity or practice constituting the breach;
  - (b) an order that the person take such action, or adopt such practice, as the Court requires for remedying the breach or preventing a recurrence of the breach;

- (c) an order that the person implement a specified program for compliance with this Law, the Regulations and the Rules;
  - (d) an order of a kind prescribed by the Regulations.
- (3) If a person has engaged, is engaging or is proposing to engage in any conduct in breach of a conduct provision, the Court may, on application by another person (other than the AER), grant an injunction—
- (a) restraining the first mentioned person from engaging in the conduct; and
  - (b) if, in the Court’s opinion, it is desirable to do so—requiring the first mentioned person to do something.
- (4) The power of the Court under subsection (3) to grant an injunction restraining a person from engaging in conduct of a particular kind may be exercised—
- (a) if the Court is satisfied that the person has engaged in conduct of that kind—whether or not it appears to the Court that the person intends to engage again, or to continue to engage, in conduct of that kind; or
  - (b) if it appears to the Court that, if an injunction is not granted, it is likely that the person will engage in conduct of that kind—whether or not the person has previously engaged in conduct of that kind and whether or not there is an imminent danger of substantial damage to any person if the person engages in conduct of that kind.

### **233 Actions for damages by persons for breach of conduct provision**

A person other than the AER who suffers loss or damage by conduct of another person that was done in breach of a conduct provision may recover the amount of the loss or damage by action against that other person in a court of competent jurisdiction.





**236 Breaches of civil penalty provisions involving continuing failure**

For the purpose of determining the civil penalty for a breach of a civil penalty provision, if the breach consists of a failure to do something that is required to be done, the breach is to be regarded as continuing until the act is done despite the fact that any period within which, or time before which, the act is required to be done has expired or passed.

**237 Conduct in breach of more than 1 civil penalty provision**

- (1) If the conduct of a person constitutes a breach of 2 or more civil penalty provisions, proceedings may be instituted under this Law against the person in relation to the breach of any 1 or more of those provisions.
- (2) However, the person is not liable to more than 1 civil penalty under this Law in respect of the same conduct.

*Note—*

Clause 49 of Schedule 2 to this Law sets out further provisions in relation to double jeopardy.

**238 Persons involved in breach of civil penalty provision or conduct provision**

- (1) A person must not—
  - (a) aid, abet, counsel or procure a breach of a civil penalty provision or conduct provision by another person; or
  - (b) be in any way directly or indirectly knowingly concerned in, or party to, a breach of a civil penalty provision or conduct provision by another person.
- (2) This Law applies to a person who breaches subsection (1) in relation to a civil penalty provision or conduct provision as if the person were a person who has breached the civil penalty provision or conduct provision.



*Note—*

The AER is subject to judicial review under the *Administrative Decisions (Judicial Review) Act 1977* of the Commonwealth.

- (2) Unless the Court otherwise orders, the making of an application to the Court under subsection (1) does not affect the operation of the decision or determination referred to in that subsection or prevent the taking of action to implement the decision or determination.

### **243 Applications for judicial review of AEMO's decisions**

- (1) A person aggrieved by—
  - (a) a decision or determination of AEMO under this Law, the Rules or the Procedures; or
  - (b) a failure by AEMO to make a decision or determination under this Law, the Rules or the Procedures; or
  - (c) conduct engaged in, or proposed to be engaged in, by AEMO for the purpose of making a decision or determination under this Law, the Rules or the Procedures,

may apply to the Court for judicial review of the decision or determination, failure, or conduct or proposed conduct.

- (2) Unless the Court otherwise orders, the making of an application to the Court under subsection (1) does not affect the operation of a decision or determination to which the application relates or prevent the taking of action to implement the decision or determination.

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## Part 5 Merits review and other non-judicial review

### Division 1 Interpretation

#### 244 Definitions

In this Part—

*applicant* means—

- (a) (Repealed)
- (b) a person who makes an application under section 263;

*information disclosure decision* means—

- (a) a decision to disclose information made by the AER under section 329; or
- (b) a decision to disclose information made by AEMO under section 91GH.

*review under this Part* means a review under Division 3;

### Division 3 Tribunal review of information disclosure decisions

#### 263 Application for review

- (1) A person whose interests are adversely affected by an information disclosure decision may apply to the Tribunal for a review of the decision.
- (2) An application must be made in the form and manner determined by the Tribunal.
- (3) An application may only be made on the ground that—
  - (a) the decision was not made in accordance with law; or

- (b) the decision is unreasonable having regard to all relevant circumstances.
- (4) The person must lodge the notice with the Tribunal no later than 5 business days after the date of the last notice given under section 91GH or section 329 (as the case requires).
- (5) An application under this section stays the operation of the decision until the earlier of—
  - (a) 20 business days; or
  - (b) the making of a determination by the Tribunal in respect of the application.

#### **264 Exclusion of public in certain cases**

On the application of a party to a review under this Division, the Tribunal may conduct the review in the absence of the public.

#### **265 Determination in the review**

- (1) Subject to this Part, on receipt of an application under section 263, the Tribunal must make a determination in respect of the application.
- (2) A determination under this section must only—
  - (a) affirm the information disclosure decision; or
  - (b) forbid disclosure by the AER or AEMO of the information or document to which the information disclosure decision relates; or
  - (c) restrict, as specified in the determination, the intended disclosure by the AER or AEMO of the information or document to which the information disclosure decision relates.
- (3) For the purposes of making a determination of the kind in subsection (2)(a), the Tribunal may perform all the functions and exercise all the powers of the AER or AEMO (as the case requires) under this Law or the Rules.

- (4) A determination by the Tribunal affirming the information disclosure decision, or forbidding or restricting disclosure of information, is, for the purposes of this Law (other than this Part), to be taken to be a decision of the AER or AEMO (as the case requires).

**266 Tribunal must be taken to have affirmed decision if decision not made within time**

- (1) This section applies if the Tribunal does not make a determination under section 265 within 20 business days after an application is lodged under section 263.
- (2) The Tribunal must be taken to have made a determination under section 265 affirming the information disclosure decision to which the application relates.

**267 Assistance from AER or AEMO**

The member of the Tribunal presiding in the review may require the AER or AEMO (as the case requires) to give information, to make a report or to give other assistance for the purposes of the review.

**Division 4 General**

**268 Costs in a review**

- (1) Subject to this section, the Tribunal may order that a party to a review under this Part pay all or a specified part of the costs of another party to the review.
- (2) The Tribunal must not make an order requiring the AER or AEMO to pay the costs of another party to the review unless the Tribunal considers that the AER or AEMO has conducted their case in the review without due regard to—
  - (a) the costs that would have to be incurred by another party to the review as a result of that conduct; or

- (b) the time required by—
  - (i) the Tribunal to hear the review as a result of that conduct; or
  - (ii) another party to prepare their case as a result of that conduct; or
- (c) (Repealed)
- (3) (Repealed)

### **269 Amount of costs**

- (1) If the Tribunal makes an order for costs in a review under this Part, the Tribunal may in that order fix the amount of costs payable by a party to the review on—
  - (a) a party and party basis; or
  - (b) a solicitor and client basis; or
  - (c) an indemnity basis; or
  - (d) any other basis as the Tribunal may decide.
- (2) (Repealed)

## **Part 5A Dispute resolution under the Rules**

### **270B Commercial Arbitration Acts to apply to proceedings before Dispute resolution panels**

- (1) Subject to the modifications prescribed by the Regulations, the procedural provisions of the Commercial Arbitration Act of this jurisdiction apply to the hearing of a rule dispute and decisions or determinations of a Dispute resolution panel.
- (2) In this section—

*procedural provisions of the Commercial Arbitration Act of this jurisdiction* means the provisions prescribed by the Regulations for the purposes of this section.



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## **270C Appeals on questions of law from decisions or determinations of Dispute resolution panels**

- (1) A person who is a party to a rule dispute may appeal to the Court, on a question of law, against—
  - (a) a decision or determination of a Dispute resolution panel; or
  - (b) a decision that is classified under the Rules as an appealable decision.
- (2) Subject to the modifications prescribed by the Regulations, the review provisions of the Commercial Arbitration Act of this jurisdiction apply to the decision or determination under appeal.
- (3) In this section—

*review provisions of the Commercial Arbitration Act of this jurisdiction* means the provisions prescribed by the Regulations for the purposes of this section.

## **Part 6 Enforcement of access determinations**

### **271 Enforcement of access determinations**

- (1) If the Court is satisfied, on the application of a party to an access determination, that another party to the determination has engaged, is engaging, or is proposing to engage in conduct that constitutes a contravention of the determination, the Court may make all or any of the following orders:
  - (a) an order granting an injunction on such terms as the Court thinks appropriate—
    - (i) restraining the other party from engaging in the conduct; or
    - (ii) if the conduct involves refusing or failing to do something—requiring the other party to do that thing;

- (b) an order directing the other party to compensate the applicant for loss or damage suffered as a result of the contravention;
  - (c) any other order that the Court thinks appropriate.
- (2) The revocation of an access determination does not affect any remedy under subsection (1) in respect of a contravention of the determination that occurred when the determination was in force.
- (3) If the Court has power under subsection (1) to grant an injunction restraining a person from engaging in particular conduct, or requiring a person to do anything, the Court may make any other orders (including granting an injunction) that it thinks appropriate against any other person who was involved in the contravention concerned.
- (4) A reference in this section to a person involved in the contravention is a reference to a person who has—
- (a) aided, abetted, counselled or procured the contravention; or
  - (b) induced the contravention, whether through threats or promises or otherwise; or
  - (c) been in any way (directly or indirectly) knowingly concerned in or a party to the contravention; or
  - (d) conspired with others to effect the contravention.

## **272 Consent injunctions**

On an application for an injunction under section 271, the Court may grant an injunction by consent of all of the parties to the proceedings, whether or not the Court is satisfied that the section applies.

## **273 Interim injunctions**

The Court may grant an interim injunction pending determination of an application under section 271.

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**274 Factors relevant to granting a restraining injunction**

The power of the Court to grant an injunction under section 271 restraining a person from engaging in conduct may be exercised whether or not—

- (a) it appears to the Court that the person intends to engage again, or to continue to engage, in conduct of that kind; or
- (b) the person has previously engaged in conduct of that kind; or
- (c) there is an imminent danger of substantial damage to any person if the first mentioned person engages in conduct of that kind.

**275 Factors relevant to granting a mandatory injunction**

The power of the Court to grant an injunction under section 271 requiring a person to do a thing may be exercised whether or not—

- (a) it appears to the Court that the person intends to refuse or fail again, or to continue to refuse or fail, to do that thing; or
- (b) the person has previously refused or failed to do that thing; or
- (c) there is an imminent danger of substantial damage to any person if the first mentioned person refuses or fails to do that thing.

**276 Discharge or variation of injunction or other order**

The Court may discharge or vary an injunction or order granted under this Part.



- (f) the manner in which the infringement penalty may be paid;
- (g) the time (being not less than 28 days after the date on which the notice is served) within which the infringement penalty must be paid;
- (h) that, if the amount of the infringement penalty is paid before the end of the time specified in the notice, proceedings will not be instituted in respect of the alleged breach by the AER unless the notice is withdrawn before the end of that time in accordance with section 282;
- (i) that the person is entitled to disregard the notice and defend any proceedings in respect of the civil penalty provision;
- (j) any other particulars prescribed by the Regulations.

## 279 Infringement penalties

- (1) In this section—

*tier 1 civil penalty provision* means a provision with a civil penalty determined under section 3A(1)(c);

*tier 2 civil penalty provision* means a provision with a civil penalty determined under section 3A(1)(b);

*tier 3 civil penalty provision* means a provision with a civil penalty determined under section 3A(1)(a).

- (2) The infringement penalty for a breach of a civil penalty provision is—
- (a) in the case of a tier 3 civil penalty provision—
    - (i) if the breach is alleged to have been committed by a natural person—\$6 790 or any lesser amount that is prescribed by the Regulations in relation to the civil penalty provision;
    - (ii) if the breach is alleged to have been committed by a body corporate—

- (A) if the AER makes a determination under subsection (3)—\$6 790 or any lesser amount that is prescribed by the Regulations in relation to the civil penalty provision; or
    - (B) in any other case—\$33 900 or any lesser amount that is prescribed by the Regulations in relation to the civil penalty provision;
  - (b) in the case of a tier 2 or tier 1 civil penalty provision—
    - (i) if the breach is alleged to have been committed by a natural person—\$13 600 or any lesser amount that is prescribed by the Regulations in relation to the civil penalty provision;
    - (ii) if the breach is alleged to have been committed by a body corporate—\$67 800 or any lesser amount that is prescribed by the Regulations in relation to the civil penalty provision.
- (3) In the case of a body corporate that is not a listed corporation or a body corporate that is subject to the infringement penalty by virtue only of being a related body corporate, the AER may, in a particular case, determine that the infringement penalty to be included in an infringement notice to be issued to the body corporate in relation to an alleged breach of a tier 3 civil penalty provision will be the amount applying under subsection (2)(a)(ii)(A) if the AER considers this to be an appropriate course of action after taking into account—
  - (a) the nature of the alleged breach; and
  - (b) the degree of financial impact on the body corporate if the higher infringement penalty under subsection (2)(a)(ii)(B) were to be imposed; and
  - (c) the extent to which the imposition of the higher infringement penalty would appear to be excessive in the circumstances; and
  - (d) any other matter considered relevant by the AER.

*Note—*

See Schedule 2 clause 47A, which provides for the amounts specified in this section to be adjusted every 3 years to reflect movements in the consumer price index. The adjusted amounts are published on the AER's website.

## **280 AER cannot institute proceedings while infringement notice on foot**

On serving an infringement notice under this Part, the AER must not institute a proceeding in respect of the breach for which the infringement notice was served if—

- (a) the time for payment stated in the infringement notice has not expired; and
- (b) the infringement notice has not been withdrawn by the AER in accordance with section 282.

## **281 Late payment of penalty**

The AER may accept payment of the infringement penalty even after the expiration of the time for payment stated in the infringement notice if—

- (a) a proceeding has not been instituted in respect of the breach to which the infringement penalty relates; and
- (b) the infringement notice has not been withdrawn by the AER in accordance with section 282.

## **282 Withdrawal of notice**

- (1) The AER may withdraw an infringement notice at any time before the end of the time for payment specified in the notice by serving a withdrawal notice on the person served with the infringement notice.
- (2) A withdrawal notice may be served on a natural person—
  - (a) by delivering it personally to the person; or

- (b) by sending it by post addressed to the person to their usual or last known place of residence or business.
- (3) A withdrawal notice may be served on a person that is a body corporate—
  - (a) by delivering it personally to the registered office or usual or last known place of business of the body corporate; or
  - (b) by sending it by post addressed to the body corporate to its registered office or usual or last known place of business.
- (4) An infringement notice may be withdrawn even if the infringement penalty has been paid.

### **283 Refund of infringement penalty**

If an infringement notice is withdrawn in accordance with section 282, the amount of any infringement penalty paid must be refunded by the AER.

### **284 Payment expiates breach of civil penalty provision**

No proceedings may be taken by the AER against a person on whom an infringement notice was served in respect of an alleged breach of a civil penalty provision if—

- (a) the infringement penalty is—
  - (i) paid within the time for payment stated in the notice; and
  - (ii) not withdrawn by the AER within the time for payment stated in the notice in accordance with section 282; or
- (b) the infringement penalty is accepted in accordance with section 281.



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**285 Payment not to have certain consequences**

The payment of an infringement penalty under this Part is not and must not be taken to be an admission of a breach of a civil penalty provision or an admission of liability for the purpose of any proceeding instituted in respect of the breach.

**286 Conduct in breach of more than 1 civil penalty provision**

- (1) If the conduct of a person constitutes a breach of 2 or more civil penalty provisions, an infringement notice may be served on the person under this Part in relation to the breach of any 1 or more of those provisions.
- (2) However, the person is not liable to pay more than 1 infringement penalty in respect of the same conduct.

**Part 8 Further provision for corporate liability for breaches of this Law etc**

**287 Definition**

In this Part—

*breach provision* means an offence provision, a civil penalty provision or a conduct provision.

**288 Offences and breaches by corporations**

- (1) If a corporation contravenes a breach provision, each officer of the corporation is to be taken to have contravened the breach provision if the officer knowingly authorised or permitted the contravention or breach.
- (2) An officer of a corporation may be proceeded against under a breach provision pursuant to this section whether or not the corporation has been proceeded against under the provision.

- (3) Nothing in this section affects the liability of a corporation for a contravention of a breach provision.

## **289 Corporations also in breach if officers and employees are in breach**

If an officer or employee of a corporation commits an act, which is within the scope of the actual or apparent authority of the officer or employee, that would, if that act were committed by the corporation, constitute a breach of a provision of this Law, the Regulations or the Rules, that corporation is to be taken to have contravened that provision.

# **Chapter 9            The making of the National Gas Rules**

## **Part 1                General**

### **Division 1           Interpretation**

#### **290 Definitions**

In this Chapter—

*AEMC initiated Rule* means a Rule of the kind referred to in section 295(2);

*AEMC Rule review* means a review conducted by the AEMC under Chapter 2 Part 2 Division 5;

*gas market regulatory body* means—

- (a) the AER;
- (b) AEMO;
- (c) the ERA;

- (d) REMCo;
- (e) a person or body prescribed by Regulation to be a gas market regulatory body;

**GMCo** means the Gas Market Company Ltd (ACN 095 400 258);

**market initiated proposed Rule** means a request for a Rule, including a trial Rule, made under section 295(1) in respect of which the AEMC publishes a notice under section 303;

**more preferable Rule** has the meaning given by section 296;

**non-controversial Rule** means a Rule that is unlikely to have a significant effect on a market for gas or the regulation of pipeline services;

**proposed Rule** means—

- (a) a market initiated proposed Rule; or
- (b) a proposal for an AEMC initiated Rule; or
- (c) a proposed more preferable Rule;

**publish** means—

- (a) in relation to a notice required to be published under this Chapter (except section 294 or 315)—publish in the South Australian Government Gazette and on the AEMC's website;
- (b) in relation to a decision under section 301(2)—publish on the AEMC's website and make available at the offices of the AEMC;
- (c) in relation to a proposed Rule referred to in section 303 and any other documents prescribed by the Regulations in relation to a proposed Rule referred to in section 303—publish on the AEMC's website and make available at the offices of the AEMC;
- (d) in relation to a draft Rule determination or final Rule determination—publish on the AEMC's website and make available at the offices of the AEMC;

- (da) in relation to a notice setting out requirements imposed under section 314B—publish on the AEMC’s website;
- (e) in relation to any submissions or comments received by the AEMC under this Chapter—subject to section 319, publish on the AEMC’s website and make available at the offices of the AEMC;
- (f) in relation to a report prepared under section 320—publish on the AEMC’s website and make available at the offices of the AEMC;

**REMCo** means the Retail Energy Market Company Ltd (ACN 103 318 556);

**trial Rule** means a Rule for the purposes of a trial project;

**urgent Rule** means a Rule relating to any matter or thing that, if not made as a matter of urgency, will result in that matter or thing imminently prejudicing or threatening—

- (a) the effective operation or administration of a regulated gas market operated and administered by AEMO; or
- (b) the supply of gas.

## Division 2                      Rule making tests

### 291      Application of national gas objective

- (1) The AEMC may only make a Rule if it is satisfied that the Rule will or is likely to contribute to the achievement of the national gas objective.
- (2) For the purposes of subsection (1), the AEMC may give such weight to any aspect of the national gas objective as it considers appropriate in all the circumstances, having regard to any relevant MCE statement of policy principles.

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**292 AEMC must take into account form of regulation factors in certain cases**

In addition to complying with sections 291 and 293, the AEMC must take into account the form of regulation factors and any other matter the AEMC considers relevant—

- (a) in making a Rule that—
  - (i) specifies a pipeline service as a reference service; or
  - (ii) confers a function or power on the AER to specify under an access arrangement decision approving or making an access arrangement a pipeline service (to which the relevant applicable access arrangement applies) as a reference service; or
- (b) in revoking a Rule that has been made or is in force that—
  - (i) specifies a pipeline service as a reference service; or
  - (ii) confers a function or power on the AER to specify under an access arrangement decision approving or making an access arrangement a pipeline service (to which the relevant applicable access arrangement applies) as a reference service.

**293 AEMC must take into account revenue and pricing principles in certain cases**

In addition to complying with sections 291 and 292, the AEMC must take into account the revenue and pricing principles in making a Rule for or with respect to any matter or thing specified in items 45 to 53 of Schedule 1 to this Law.

### **293A AEMC must take into account innovative trial principles in certain cases**

In addition to complying with sections 291 to 293, the AEMC must take into account the innovative trial principles in making a trial Rule.

## **Part 2 Minister initiated National Gas Rules**

### **Division 1 Initial Rules made by Minister**

#### **294 South Australian Minister to make initial National Gas Rules**

- (1) The Minister of the Crown in right of South Australia administering Part 2 of the *National Gas (South Australia) Act 2008* of South Australia may make Rules for or with respect to—
  - (a) any matter or thing referred to in section 74 and Schedule 1 to this Law;
  - (b) matters of a transitional nature relating to the transition from the old access law and Gas Code to the application of this Law and the Rules.
- (2) In subsection (1)—

*matters of a transitional nature* include matters of an application or savings nature.
- (3) As soon as practicable after making Rules under subsection (1), the Minister referred to in that subsection must—
  - (a) publish notice of the making of the Rules in the South Australian Government Gazette; and
  - (b) make the Rules publicly available.

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- (4) Section 74(3) applies to the making of Rules under subsection (1) as if the Rules being made under subsection (1) were Rules being made by the AEMC.
  - (5) The notice referred to in subsection (3)(a) must state—
    - (a) the date on which the Rules commence operation; or
    - (b) if different Rules will commence operation on different dates, those dates.
  - (6) The Rules made under subsection (1) may only be made on the recommendation of the MCE.
  - (7) If the Minister referred to in subsection (1) makes Rules under that subsection, the Minister cannot make another Rule under that subsection.

**294A South Australian Minister to make initial Rules and Procedures related to AEMO’s functions under this Law**

- (1) The Minister in right of the Crown of South Australia administering Part 2 of the *National Gas (South Australia) Act 2008* of South Australia (the ***South Australian Minister***)—
  - (a) may make Rules on any 1 or more of the following subjects:
    - (i) AEMO’s statutory functions (including the declared system functions);
    - (ii) the subject matter of a new head of power added to Schedule 1 by the AEMO amendments;
    - (iii) any other subject contemplated by, or consequential on, the AEMO amendments; and
  - (b) may make Wholesale Market Procedures and Retail Market Procedures.
- (2) Rules or Procedures may only be made under subsection (1) on the recommendation of the MCE.
- (3) Section 74(3) applies to Rules made under subsection (1) in the same way as it applies to Rules made by the AEMC.

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- (4) Section 91BM(3) and section 91MA(3) apply respectively to Wholesale Market Procedures and Retail Market Procedures made under subsection (1) in the same way as they apply to Procedures made by AEMO.
- (5) As soon as practicable after making Rules or Procedures under subsection (1), the South Australian Minister must—
  - (a) publish notice of the making of the Rules or Procedures in the South Australian Government Gazette stating the date of commencement or, if they commence at different times, the various dates of commencement; and
  - (b) make the Rules or Procedures publicly available.
- (6) The South Australian Minister may, by a later notice published in the South Australian Government Gazette, vary a commencement date fixed under subsection (5)(a) or this subsection.
- (7) Once the first Rules have been made under subsection (1), no further Rules can be made under that subsection and once the first Procedures have been made for a particular market, no further Procedures for that market can be made under subsection (1).
- (8) Rules in the nature of a derogation may be made under this section even though no request has been made for the derogation.

**294B South Australian Minister to make initial Rules related to AEMO’s declared STTM functions**

- (1) The Minister in right of the Crown of South Australia administering Part 2 of the *National Gas (South Australia) Act 2008* of South Australia (the ***South Australian Minister***) may make Rules on any 1 or more of the following subjects:
  - (a) AEMO’s STTM functions;
  - (b) the subject matter of a new head of power added to Schedule 1 by the STTM amendments;



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- (c) any other subject contemplated by, or consequential on, the STTM amendments.
  - (2) Rules may only be made under subsection (1) on the recommendation of the MCE.
  - (3) Section 74(3) applies to Rules made under subsection (1) in the same way as it applies to Rules made by the AEMC.
  - (4) As soon as practicable after making Rules under subsection (1), the South Australian Minister must—
    - (a) publish notice of the making of the Rules in the South Australian Government Gazette stating the date of commencement or, if they commence at different times, various dates of commencement; and
    - (b) make the Rules publicly available.
  - (5) The South Australian Minister may, by a later notice published in the South Australian Government Gazette, vary a commencement date fixed under subsection (4)(a) or this subsection.
  - (6) Once the first Rules have been made under subsection (1), no further Rules can be made under that subsection.
  - (7) Rules in the nature of a derogation may be made under this section even though no request has been made for the derogation.

**294C South Australian Minister may make initial Rules and Retail Market Procedures relating to implementation of NERL and NERR**

- (1) The Minister in right of the Crown of South Australia administering Part 2 of the *National Gas (South Australia) Act 2008* of South Australia (the *South Australian Minister*) may—
  - (a) make Rules for or with respect to the following:
    - (i) retail support obligations between service providers and retailers;

- (ii) credit support arrangements between service providers and retailers;
  - (iii) the connection of premises of retail customers;
  - (iv) any other matter consequential on the making of the National Energy Retail Law or the National Energy Retail Rules or on the application of that Law or those Rules in a participating jurisdiction; and
- (b) make Retail Market Procedures.
- (2) The South Australian Minister may make Rules or Retail Market Procedures that amend the Rules or Retail Market Procedures (as the case requires) made under subsection (1) for any purpose that is necessary or consequential on the application of the National Energy Retail Law or the National Energy Retail Rules in a participating jurisdiction.
- (3) Section 74(3) applies to Rules made under this section in the same way as it applies to Rules made by the AEMC.
- (4) As soon as practicable after making Rules or Retail Market Procedures under this section, the South Australian Minister must—
  - (a) publish notice of the making of the Rules or Procedures in the South Australian Government Gazette; and
  - (b) make the Rules or Procedures publicly available.
- (5) The notice referred to in subsection (4)(a) must state—
  - (a) the date on which the Rules or Retail Market Procedures commence operation; or
  - (b) if different Rules or Procedures will commence operation on different dates, those dates.
- (6) Rules or Retail Market Procedures may only be made under this section on the recommendation of the MCE.
- (7) Rules or Retail Market Procedures cannot be made under this section once any one of the participating jurisdictions applies the National Energy Retail Law as a law of that jurisdiction.

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- (8) A reference in this section to Retail Market Procedures includes a reference to RoLR Procedures within the meaning of Part 6 of the National Energy Retail Law.

### **294CA South Australian Minister may make consequential Rules relating to rate of return instrument**

- (1) The South Australian Minister may make Rules that revoke or amend a Rule if the revocation or amendment is consequential on the enactment of the *Statutes Amendment (National Energy Laws) (Binding Rate of Return Instrument) Act 2018*.
- (2) Without limiting subsection (1), the South Australian Minister may make a rule providing that the rate of return on capital under a rate of return instrument in force at the start of a regulatory period applies throughout the period.
- (3) Section 74(3) applies to Rules made under this section in the same way it applies to Rules made by the AEMC.
- (4) As soon as practicable after making Rules under this section, the South Australian Minister must—
- (a) publish notice of the making of the Rules in the South Australian Government Gazette; and
  - (b) make the Rules publicly available.
- (5) The notice referred to in subsection (4)(a) must state—
- (a) the date on which the Rules commence operation; and
  - (b) if different Rules will commence operation on different dates, those dates.
- (6) Rules may only be made under this section on the recommendation of the MCE.
- (7) Once the first Rules have been made under subsection (1), no further Rules can be made under that subsection.
- (8) In this section—
- regulatory period* means the period specified in an applicable access arrangement to be the regulatory period;

***South Australian Minister*** means the Minister in right of the Crown of South Australia administering Part 2 of the *National Gas (South Australia) Act 2008* of South Australia.

**294D South Australian Minister to make initial Rules relating to AEMO's gas trading exchange functions**

- (1) The Minister in right of the Crown of South Australia administering Part 2 of the *National Gas (South Australia) Act 2008* (the ***South Australian Minister***) may make Rules on any 1 or more of the following subjects:
  - (a) AEMO's gas trading exchange functions;
  - (b) the subject matter of a new head of power added to Schedule 1 by the GTE amendments;
  - (c) any other subject contemplated by, or consequential on, the GTE amendments.
- (2) Rules may only be made under subsection (1) on the recommendation of the MCE.
- (3) Section 74(3) applies to Rules made under subsection (1) in the same way as it applies to Rules made by the AEMC.
- (4) As soon as practicable after making Rules under subsection (1), the South Australian Minister must—
  - (a) publish notice of the making of the Rules in the South Australian Government Gazette stating the date of commencement or, if they commence at different times, various dates of commencement; and
  - (b) make the Rules publicly available.
- (5) The South Australian Minister may, by a later notice published in the South Australian Government Gazette, vary a commencement date fixed under subsection (4)(a) of this subsection.
- (6) Once the first Rules have been made under subsection (1), no further Rules can be made under that subsection.

- (7) Rules in the nature of a derogation may be made under this section even though no request has been made for the derogation.

### **294DA South Australian Minister to make initial Rules relating to the capacity reforms**

- (1) The Minister in right of the Crown of South Australia administering Part 2 of the *National Gas (South Australia) Act 2008* of South Australia (the ***South Australian Minister***)—
- (a) may make Rules for or with respect to any one or more of the following subjects:
- (i) the capacity auction functions of AEMO, the operation of a capacity auction and the activities of transportation service providers and transportation facility users in connection with a capacity auction;
  - (ii) transaction support arrangements;
  - (iii) access to and the provision of operational transportation services;
  - (iv) the making and amendment of an Operational Transportation Service Code;
  - (v) the standard market timetable and the standard gas day;
  - (vi) the collection, use, disclosure, copying, recording, management and publication of information in relation to secondary capacity transactions;
  - (vii) the collection, use, disclosure, copying, recording, management and publication of information in relation to natural gas or natural gas services from a person who determines the allocation of deliveries or receipts of natural gas;
  - (viii) the matters referred to in sections 83B, 83C, 228E and 228I;
  - (ix) the buying and selling of transportation capacity through the gas trading exchange;

- (x) the subject matter of a new head of power added to Schedule 1 by the Capacity Trading and Auction amendments;
  - (xi) any other subject contemplated by, or consequential on, the Capacity Trading and Auction amendments; and
  - (b) may make Rules that revoke or amend a Rule as a consequence of the enactment of the Capacity Trading and Auction amendments and any of the Rules referred to in paragraph (a); and
  - (c) may make Rules that require a contract (including a contract made in accordance with an access arrangement or an access determination) to be amended as a consequence of the enactment of the Capacity Trading and Auction amendments and any of the Rules referred to in paragraph (a) or (b); and
  - (d) may make an Operational Transportation Service Code.
- (2) Rules or an Operational Transportation Service Code may only be made under subsection (1) on the recommendation of the MCE.
- (3) Section 74(3) applies to Rules made under subsection (1) in the same way as it applies to Rules made by the AEMC.
- (4) As soon as practicable after making Rules or an Operational Transportation Service Code under subsection (1), the South Australian Minister must—
- (a) publish notice of the making of the Rules or Code in the South Australian Government Gazette; and
  - (b) make the Rules or Code publicly available.
- (5) The notice referred to in subsection (4)(a) must state—
- (a) the date on which the Rules or Code commence operation; or
  - (b) if different Rules or provisions of the Code will commence operation on different dates, those dates.

- (6) The South Australian Minister may, by a later notice published in the South Australian Government Gazette, vary a commencement date fixed under subsection (5).
- (7) Once the first Rules have been made under subsection (1), no further Rules can be made under that subsection.
- (8) Once the first Operational Transportation Service Code has been made under subsection (1), no further Operational Transportation Service Code can be made under that subsection.
- (9) Rules in the nature of a derogation may be made under this section even though no request has been made for the derogation.
- (10) In this section—

*Capacity Trading and Auction amendments* means the amendments made to this Law by the *National Gas (South Australia) (Capacity Trading and Auctions) Amendment Act 2018*.

## **294E South Australian Minister to make initial Rules relating to Energy Consumers Australia**

- (1) The Minister in right of the Crown of South Australia administering Part 2 of the *National Gas (South Australia) Act 2008* (the *South Australian Minister*) may make Rules—
  - (a) for or with respect to Energy Consumers Australia (including provisions for its funding); and
  - (b) for or with respect to any other subject contemplated by, or consequential on, the ECA amendments; and
  - (c) that revoke or amend a Rule as a consequence of the enactment of the ECA amendments.
- (2) Section 74(3) applies to Rules made under subsection (1) in the same way as it applies to Rules made by the AEMC.
- (3) As soon as practicable after making Rules under subsection (1), the South Australian Minister must—

- (a) publish notice of the making of the Rules in the South Australian Government Gazette; and
  - (b) make the Rules publicly available.
- (4) The notice referred to in subsection (3)(a) must state—
- (a) the date on which the Rules commence operation; or
  - (b) if different Rules will commence operation on different dates, those dates.
- (5) The Rules made under subsection (1) may only be made on the recommendation of the MCE.
- (6) Once the first Rules have been made under subsection (1), no further Rules can be made under that subsection.

### **294EA South Australian Minister to make initial Rules relating to regulatory sandboxing**

- (1) The Minister in right of the Crown of South Australia administering Part 2 of the *National Gas (South Australia) Act 2008* of South Australia (the ***South Australian Minister***) may make Rules—
- (a) for or with respect to—
    - (i) the regulatory sandboxing amendments; and
    - (ii) any other subject contemplated by, or necessary or expedient for the regulatory sandboxing amendments; and
  - (b) that revoke or amend a Rule as a consequence of the enactment of the regulatory sandboxing amendments.
- (2) Section 74(3) applies to Rules made under subsection (1) in the same way as it applies to Rules made by the AEMC.
- (3) As soon as practicable after making Rules under this section, the South Australian Minister must—
- (a) publish notice of the making of the Rules in the South Australian Government Gazette; and
  - (b) make the Rules publicly available.



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- (4) The notice referred to in subsection (3)(a) must state—
    - (a) the date on which the Rules commence operation; or
    - (b) if different Rules will commence operation on different dates, those dates.
  - (5) Rules may only be made under subsection (1) on the recommendation of the MCE.
  - (6) Once the first Rules have been made under subsection (1), no further Rules can be made under that subsection.
  - (7) In this section—

*regulatory sandboxing amendments* means the amendments made to this Law by the *Statutes Amendment (National Energy Laws) (Regulatory Sandboxing) Act 2022*.

#### **294F South Australian Minister to make initial Rules relating to access to non-scheme pipelines**

- (1) The Minister in right of the Crown of South Australia administering Part 2 of the *National Gas (South Australia) Act 2008* of South Australia (the *South Australian Minister*) may make Rules on any 1 or more of the following subjects:
  - (a) access proposals, access disputes and arbitrations under Chapter 6A;
  - (b) the subject matter of a new head power added to Schedule 1 by the Pipelines Access/Arbitration amendments;
  - (c) any other subject contemplated by, or consequential on, the Pipelines Access/Arbitration amendments.
- (2) Rules may only be made under subsection (1) on the recommendation of the MCE.
- (3) Section 74(3) applies to Rules made under subsection (1) in the same way as it applies to Rules made by the AEMC.
- (4) As soon as practicable after making Rules under subsection (1), the South Australian Minister must—

- (a) publish notice of the making of the Rules in the South Australian Government Gazette stating the date of commencement or, if they commence at different times, various dates of commencement; and
  - (b) making the Rules publicly available.
- (5) The South Australian Minister may, by a later notice published in the South Australian Government Gazette, vary a commencement date fixed under subsection (4)(a) or this subsection.
- (6) Once the first Rules have been made under subsection (1), no further Rules can be made under that subsection.
- (7) Rules in the nature of a derogation may be made under this section even though no request has been made for the derogation.
- (8) In this section—

*Pipelines Access/Arbitration amendments* means the amendments made to this Law by the *National Gas (South Australia) (Pipelines Access—Arbitration) Amendment Act 2017*.

### **294FA South Australian Minister to make initial Rules relating to enhanced market transparency**

- (1) The Minister in right of the Crown of South Australia administering Part 2 of the *National Gas (South Australia) Act 2008* (the *South Australian Minister*) may make Rules—
- (a) for or with respect to any 1 or more of the following subjects:
    - (i) the AER gas price reporting functions;
    - (ii) the Natural Gas Services Bulletin Board;
    - (iii) the collection and use of information for, or the content of, the gas statement of opportunities;
    - (iv) the subject matter of a new head power added to Schedule 1 by the market transparency amendments;

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- (v) any other subject contemplated by, or consequential on, the market transparency amendments; and
  - (b) that revoke or amend a Rule as a consequence of the market transparency amendments and any of the Rules referred to in paragraph (a).
- (2) Rules may only be made under subsection (1) on the recommendation of the MCE.
  - (3) Section 74(3) applies to the Rules made under subsection (1) in the same way as it applies to Rules made by the AEMC.
  - (4) As soon as practicable after making Rules under subsection (1), the South Australian Minister must—
    - (a) publish a notice of the making of the Rules in the South Australian Government Gazette; and
    - (b) make the Rules publicly available.
  - (5) The notice referred to in subsection (4)(a) must state—
    - (a) the date on which the Rules commence operation; and
    - (b) if different Rules will commence operation on different dates, those dates.
  - (6) The Minister may, by a later notice published in the South Australian Government Gazette, vary a commencement date fixed under subsection (5).
  - (7) Once the first Rules have been made under subsection (1), no further Rules can be made under that subsection.
  - (8) Rules in the nature of a derogation may be made under this section even though no request has been made for the derogation.
  - (9) In this section—

*market transparency amendments* means the amendments made to this Law by the *National Gas (South Australia) (Market Transparency) Amendment Act 2022*.

### **294FB South Australian Minister to make initial Rules relating to pipeline regulation**

- (1) The South Australian Minister may make Rules on any 1 or more of the following subjects:
  - (a) scheme pipeline determinations, scheme pipeline revocation determinations, scheme pipeline elections, greenfields incentive determinations, greenfields price protection determinations, monitoring of service providers, general requirements for the provision of pipeline services, information disclosure requirements, access negotiations and access disputes;
  - (b) the subject matter of a new head of power added to Schedule 1, or an existing head of power amended, by the Gas Pipelines amendments;
  - (c) any other subject contemplated by, or consequential on, the Gas Pipelines amendments.
- (2) Rules may only be made under subsection (1) on the recommendation of the MCE.
- (3) Section 74(3) applies to Rules made under subsection (1) in the same way as it applies to Rules made by the AEMC.
- (4) As soon as practicable after making Rules under subsection (1), the South Australian Minister must—
  - (a) publish notice of the making of the Rules in the South Australian Government Gazette stating the date of commencement or, if they commence at different times, various dates of commencement; and
  - (b) make the Rules publicly available.
- (5) The South Australian Minister may, by a later notice published in the South Australian Government Gazette, vary a commencement date fixed under subsection (4)(a) or this subsection.
- (6) Once the first Rules have been made under subsection (1), no further Rules can be made under that subsection.

- (7) Rules in the nature of a derogation may be made under this section even though no request has been made for the derogation.
- (8) In this section—

*Gas Pipelines amendments* means the amendments made by the *Statutes Amendment (National Energy Laws) (Gas Pipelines) Act 2022* and the amendments to the *National Gas (South Australia) Regulations* by regulations that are expressed to be made in connection with the *Statutes Amendment (National Energy Laws) (Gas Pipelines) Act 2022*.

### **294FC South Australian Minister to make initial Rules relating to national gas objective**

- (1) The South Australian Minister may, within 9 months after the commencement of this section—
  - (a) make Rules for or with respect to any matter or thing necessary or expedient to implement the amended objective; and
  - (b) make Rules for or with respect to any other subject contemplated by, or necessary or expedient for implementing, the amended objective; and
  - (c) make Rules that revoke or amend a Rule as a consequence of the enactment of the *Statutes Amendment (National Energy Laws) (Emissions Reduction Objectives) Act 2023* of South Australia.
- (2) Rules in the nature of a derogation may be made under subsection (1) even though there may not have been a request for a derogation.
- (3) Section 74(3) applies to the making of Rules under subsection (1) as if the Rules being made under subsection (1) were Rules being made by the AEMC.
- (4) As soon as practicable after making Rules under subsection (1), the South Australian Minister must—

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- (a) publish notice of the making of the Rules in the South Australian Government Gazette; and
  - (b) make the Rules publicly available.
- (5) The notice referred to in subsection (4)(a) must state—
- (a) the date on which the Rules commence operation; or
  - (b) if different Rules will commence operation on different dates, those dates.
- (6) The Rules made under subsection (1) may only be made on the recommendation of the MCE.
- (7) If the South Australian Minister makes Rules under subsection (1), the Minister cannot make another Rule under that subsection.
- (8) In this section—
- amended objective* means the national gas objective as in force on the commencement of this section.

## **Division 2                      Rules made by Minister from time to time**

### **294G South Australian Minister may make Rules on recommendation of MCE and Energy Security Board**

- (1) The South Australian Minister may make Rules recommended by the MCE in accordance with subsection (2).
- (2) The MCE may only recommend the making of Rules under subsection (1) if—
  - (a) the Rules are for or with respect to any matter or thing referred to in section 74 and Schedule 1 to this Law; and
  - (b) the Energy Security Board has recommended to the MCE that it recommend the making of the Rules under subsection (1).

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- (3) The Energy Security Board may only make a recommendation for the purposes of subsection (2)(b) in relation to Rules if—
    - (a) the Rules are in connection with energy security and reliability of the NEM or long-term planning—
      - (i) for the NEM; or
      - (ii) in relation to investment in, and operation and use of, natural gas services; and
    - (b) the Energy Security Board is satisfied that the Rules are consistent with the national gas objective; and
    - (c) the Energy Security Board has undertaken consultation on the Rules in accordance with any requirements determined by the MCE.
  - (4) Rules in the nature of a derogation may be made under this section even though there may not have been a request for a derogation.
  - (5) Section 74(3) applies to Rules made under subsection (1) in the same way as that section applies to Rules made by the AEMC.
  - (6) As soon as practicable after making Rules under this section, the South Australian Minister must—
    - (a) publish notice of the making of the Rules in the South Australian Government Gazette; and
    - (b) make the Rules publicly available.
  - (7) The notice referred to in subsection (6)(a) must state—
    - (a) the date on which the Rules commence operation; or
    - (b) if different Rules will commence operation on different dates, those dates.

**294H South Australian Minister may make Rules relating to AEMO’s east coast gas system reliability and supply adequacy functions**

- (1) The South Australian Minister may make Rules on any 1 or more of the following subjects:
  - (a) AEMO’s east coast gas system reliability and supply adequacy functions;
  - (b) the subject matter of the heads of power specified in items 55W, 55ZA and 55ZC to 55ZF (inclusive) under the heading “East coast gas system reliability and supply adequacy functions”, as inserted into Schedule 1 by the east coast gas system amendments;
  - (c) any other subject contemplated by, or consequential on, the east coast gas system amendments.
- (2) Rules may only be made under subsection (1) on the recommendation of the MCE.
- (3) Section 74(3) applies to Rules made under subsection (1) in the same way as it applies to Rules made by the AEMC.
- (4) As soon as practicable after making Rules under subsection (1), the South Australian Minister must—
  - (a) publish notice of the making of the Rules in the South Australian Government Gazette stating the date of commencement or, if they commence at different times, various dates of commencement; and
  - (b) make the Rules publicly available.
- (5) The South Australian Minister may, by a later notice published in the South Australian Government Gazette, vary a commencement date fixed under subsection (4)(a).
- (6) Rules in the nature of a derogation may be made under this section even though no request has been made for the derogation.
- (7) This section expires on the day occurring 6 calendar months after it commences.
- (8) In this section—



*east coast gas system amendments* means the amendments to—

- (a) this Law made by the *National Gas (South Australia) (East Coast Gas System) Amendment Act 2023*; and
- (b) the *National Gas (South Australia) Regulations* by regulations that are expressed to be made in connection with the *National Gas (South Australia) (East Coast Gas System) Amendment Act 2023*;

*South Australian Minister* means the Minister in right of the Crown of South Australia administering Part 2 of the *National Gas (South Australia) Act 2008* of South Australia.

## Part 3 Procedure for the making of a Rule by the AEMC

### 295 Initiation of making of a Rule

- (1) The AEMC may make a Rule at the request of any person or the MCE.

*Note—*

Section 74 and Schedule 1 to this Law specify the subject matter for Rules.

- (2) The AEMC must not make a Rule without a request under subsection (1) unless—
  - (a) it considers the Rule corrects a minor error in the Rules; or
  - (b) it considers the Rule involves a non-material change to the Rules; or
  - (c) the Rule is in respect of any matter that is prescribed by the Regulations as a matter on which it may make a Rule on its own initiative.
- (3) Despite subsection (1), a request for the making of a Rule regulating the declared system functions (other than the

functions specified in section 91BA(1)(f) and (g)) may only be made by—

- (a) AEMO; or
  - (b) a service provider for a declared transmission system that is a party to a service envelope agreement with AEMO; or
  - (c) the Minister of an adoptive jurisdiction.
- (4) The AEMC may only make a Rule that has effect with respect to an adoptive jurisdiction if satisfied that the proposed Rule is compatible with the proper performance of AEMO's declared system functions.
- (5) The AEMC may only make a Rule that affects the allocation of powers, functions and duties between AEMO and a service provider for a declared transmission system if—
- (a) AEMO consents to the making of the Rule; or
  - (b) the Rule is requested by the Minister of the relevant adoptive jurisdiction.

## **296 AEMC may make more preferable Rule in certain cases**

The AEMC may make a Rule that is different (including materially different) from a market initiated proposed Rule (a *more preferable Rule*) if the AEMC is satisfied that, having regard to the issue or issues that were raised by the market initiated proposed Rule (to which the more preferable Rule relates), the more preferable Rule will or is likely to better contribute to the achievement of the national gas objective.

## **297 AEMC may make Rules that are consequential to a Rule request**

- (1) Despite section 295(2), the AEMC may, having regard to a request to make a Rule under section 29(1), make a Rule under this Law, the National Electricity Law or the National Energy Retail Law that is necessary or consequential, or corresponds, to the Rule.

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- (2) For the purposes of this Chapter, the AEMC must treat a Rule it may make under subsection (1) as if it were part of the Rule to be made on that request.

### **298 Content of requests for a Rule**

A request for the making of a Rule—

- (a) must contain the information prescribed by the Regulations or the Rules (or both); and
- (b) must, subject to section 299, be accompanied by the fee prescribed by the Regulations (if any); and
- (c) may be accompanied by a draft of the Rule to be made.

### **299 Waiver of fee for Rule requests**

The AEMC may waive the payment of any fee prescribed by the Regulations for the purposes of section 298.

### **300 Consolidation of 2 or more Rule requests**

- (1) If the AEMC considers it necessary or desirable that 2 or more requests for the making of a Rule should be dealt with together, the AEMC may—
  - (a) treat those requests as 1 request for the purposes of this Chapter (a *consolidated Rule request*); or
  - (b) treat any later request as a submission in relation to the earliest Rule request.
- (2) For the purposes of this Chapter, the AEMC may treat a consolidated Rule request as being received by it on the day it receives either the first or last of the Rule requests forming part of the consolidated Rule request.

### **301 Initial consideration of request for Rule**

(1) Subject to this Chapter, as soon as practicable after receiving a request for the making of a Rule (an *active request*), the AEMC must consider whether—

- (a) the active request appears to—
  - (i) contain the information prescribed by the Regulations or the Rules (or both); and
  - (ii) not be misconceived or lacking in substance; and
- (b) the subject matter of the active request appears to be for or with respect to a matter in respect of which the AEMC may make a Rule under this Law; and

*Note—*

Section 74 and Schedule 1 to this Law specify the subject matter for Rules.

- (c) the subject matter of the active request appears to relate to the subject matter of—
  - (i) a Rule made, or a request for the making of a Rule under section 295(1) not proceeded with, in the 12 months immediately before the date of receipt of the active request; or
  - (ii) another request for the making of a Rule under section 295(1) in respect of which the AEMC is taking action under this Part; and
- (d) in the case of an active request for a trial Rule—the subject matter of the request appears to relate to the subject matter of—
  - (i) a trial waiver granted by the AER; or
  - (ii) an application for a trial waiver that has been received by the AER (but that has not been granted at the time of the active request for the trial Rule).

(2) If the AEMC considers that—

- (a) in the case of an active request for the making of any Rule—having regard to the matters set out in

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subsection (1), it should not take any action under this Part in respect of the active request; or

- (b) in the case of an active request for the making of a trial Rule—it should not take any action under this Part in respect of the active request on the basis that—
  - (i) the trial project to which the active request relates—
    - (A) is unlikely to be carried out; or
    - (B) offers no reasonable prospect of leading to better services and outcomes for consumers of gas; or
  - (ii) the trial Rule requested—
    - (A) is unnecessary to enable the trial project to be undertaken (including, for example, because the trial project could be undertaken under a trial waiver); or
    - (B) is unlikely to enable the trial project to be undertaken; or
    - (C) should be the subject of a request for a Rule other than a trial Rule,

the AEMC must make a decision to that effect and inform the person or body, in writing, that requested the Rule of that decision.

- (3) Despite subsection (1) or (2), the AEMC may make a decision to the effect that it should not take any action under this Part in respect of the active request if the person or body that made the active request has not complied with a notice in accordance with section 302.
- (4) In making a decision under subsection (3), the AEMC must have regard to any representation it receives under section 302(4).
- (5) A decision under subsection (2) or (3) must—
  - (a) set out the reasons for the decision; and

- (b) be given to the person or body that made the active request without delay; and
  - (c) in the case where the decision was made only because of the matters set out in subsection (1)(c)—be published.
- (6) Subject to this Chapter, if the AEMC considers that, having regard to the matters set out in subsection (1), it should take action under this Part in respect of an active request the AEMC must publish notice of that active request in accordance with section 303.
- (7) The AEMC must, as soon as practicable after receiving an active request relating to a trial Rule, consult with AEMO on the matter.

### **302 AEMC may request further information from Rule proponent in certain cases**

- (1) This section applies if the AEMC—
- (a) receives a request for the making of a Rule under section 295(1); and
  - (b) considers, having regard to the nature and content of the request, that further information is required from the person or body that has made the request to assist it to understand the request's purpose or content.
- (2) The AEMC may, by notice in writing, request the person or body that made the request under section 295(1) to provide the AEMC further information.
- (3) A notice under subsection (2) must specify—
- (a) the kind of information the AEMC requires from the person or body; and
  - (b) the time within which that information must be provided to the AEMC.
- (4) A person or body given a notice under this section may make a written representation to the AEMC as to why it cannot provide the information specified in the notice within the time specified in the notice.

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### **303 Notice of proposed Rule**

- (1) This section applies if the AEMC—
  - (a) considers that it should take action under this Part in respect of a request for the making of a Rule; or
  - (b) forms an intention to make an AEMC initiated Rule.
- (2) The AEMC must publish—
  - (a) notice of the request or intention (as the case requires); and
  - (b) a draft of the proposed Rule; and
  - (c) any other document prescribed by the Regulations.
- (3) A notice published under this section must—
  - (a) invite written submissions and comments from any person or body in relation to the proposed Rule by the date specified in the notice by the AEMC, being a date that is not less than 4 weeks from the date the notice is published; and
  - (b) contain any other information prescribed by the Regulations.
- (4) Nothing in this Part is to be taken as requiring the AEMC to publish notices under this section in the same order as it—
  - (a) considers that it should take action under this Part in respect of a request for the making of a Rule; or
  - (b) forms an intention to make an AEMC initiated Rule.

### **304 Publication of non-controversial or urgent final Rule determination**

- (1) Subject to this section, if the AEMC considers that—
  - (a) an AEMC initiated Rule is a non-controversial Rule; or
  - (b) a request for a Rule is a request for a non-controversial Rule; or
  - (c) a request for a Rule is a request for an urgent Rule,

the AEMC may make the relevant Rule in accordance with this Part (except sections 307 to 310) and as if the period of time within which the final Rule determination in respect of the relevant Rule must be published were 8 weeks from the date of publication of the notice under section 303.

- (2) Before making a Rule as set out in subsection (1), the AEMC must include in a notice under section 303 a statement to the effect that the AEMC may make the relevant Rule if the AEMC does not receive a written request, and reasons, not to do so from any person or body within 2 weeks of publication of that notice.
- (3) The AEMC must not make a Rule in accordance with this section if, following publication of a notice under section 303 containing a statement to the effect set out in subsection (2)—
  - (a) the AEMC receives a written request not to do so; and
  - (b) the reasons set out in that request are not, in its opinion, misconceived or lacking in substance.
- (4) If the AEMC is of the opinion that the reasons given by a person or body in a written request for it not to make the non-controversial Rule or urgent Rule are misconceived or lacking in substance, the AEMC must—
  - (a) make a decision to that effect; and
  - (b) give the person or body its reasons, in writing, for that decision without delay.
- (5) If the AEMC is of the opinion that the reasons given by a person or body in a written request for it not to make the non-controversial Rule or urgent Rule, are not misconceived or lacking in substance, the AEMC must publish a notice to the effect that it will make the relevant Rule in accordance with this Part (other than this section).

### **304A Publication of final Rule determination for trial Rule**

- (1) If the AEMC considers that a request for a Rule is a request for a trial Rule, the AEMC may make the relevant Rule in accordance with this Part (except sections 307 to 310) and as



if the period of time within which the final Rule determination in respect of the relevant Rule must be published were 10 weeks from the date of publication of the notice under section 303.

- (2) Sections 304 and 305 do not apply to a request for a trial Rule.

**305 “Fast track” Rules where previous public consultation by gas market regulatory body or an AEMC review**

- (1) This section applies if—
- (a) a gas market regulatory body has—
    - (i) made a request for the making of a Rule under section 295(1); and
    - (ii) consulted with the public on the nature and content of the request before making that request; or
  - (b) a person or the MCE has made a request for the making of a Rule under section 295(1) on the basis of—
    - (i) a recommendation for the making of a Rule contained in a MCE directed review; or
    - (ii) a conclusion for the making of a Rule contained in an AEMC Rule review.
- (2) The AEMC may take action under this Part in respect of the request without complying with section 303(3)(a) or 307 if it is of the opinion that—
- (a) in the case where the request has been made by a gas market regulatory body in the circumstances described in subsection (1)(a)—the consultation conducted by the gas market regulatory body was adequate, having regard to—
    - (i) the nature and content of that request; and
    - (ii) the kind of consultation conducted by the gas market regulatory body;

- (b) in the case where a request has been made by a person or the MCE in the circumstances described in subsection (1)(b)—
  - (i) the request reflects, or is consistent with, the relevant recommendation contained in the MCE directed review or relevant conclusion in the AEMC Rule review (as the case requires); and
  - (ii) there was adequate consultation with the public by it on the content of the relevant recommendation or relevant conclusion during the MCE directed review or AEMC Rule review (as the case requires).
- (3) To avoid doubt—
  - (a) section 301 applies to a request for the making of a Rule to which this section applies; and
  - (b) section 306 does not apply to a request for the making of a Rule to which this section applies.

### **306 Right to make written submissions and comments**

Any person or body, within the period specified in a notice under section 303, may make a written submission or comment in relation to the proposed Rule to which the notice relates.

### **307 AEMC may hold public hearings before draft Rule determination**

- (1) The AEMC may (but need not), at any time after publication of a notice under section 303 and before making a draft Rule determination, hold a hearing in relation to any proposed Rule.
- (2) Notice of a hearing held under this section must—
  - (a) be published; and
  - (b) contain the information prescribed by the Regulations (if any).

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### **308 Draft Rule determination**

- (1) The AEMC must make a draft Rule determination before making a final Rule determination in relation to the proposed Rule.
- (2) Subject to this Chapter, the AEMC must, within 10 weeks after the date specified in a notice under section 303, publish—
  - (a) the draft Rule determination; and
  - (b) notice of the making of the draft Rule determination.
- (3) In the case of a proposed Rule to which section 305 applies, the AEMC must publish the draft Rule determination and notice of the making of the draft Rule determination within 5 weeks after the date notice under section 303(2) is published.
- (4) A draft Rule determination must contain—
  - (a) the reasons of the AEMC as to whether or not it should make the proposed Rule, including—
    - (i) in the case where the proposed Rule is not a proposed more preferable Rule, the reasons of the AEMC as to whether it is satisfied the proposed Rule will or is likely to contribute to the achievement of the national gas objective; and
    - (ii) in the case of a proposed more preferable Rule, the reasons of the AEMC as to whether it is satisfied the proposed more preferable Rule will or is likely to better contribute to the achievement of the national gas objective than the market initiated Rule request to which the more preferable Rule relates; and
    - (iii) if the AEMC is required to take into account the form of regulation factors or the revenue and pricing principles, the reasons of the AEMC taking those factors or principles (as the case requires) into account; and
    - (iv) the reasons of the AEMC having regard to any relevant MCE statement of policy principles; and

- (v) the reasons of the AEMC having regard to any other matters the AEMC considers relevant; and
  - (b) if the AEMC determines to make a Rule, a draft of the Rule to be made; and
  - (c) any other matters that are prescribed by the Regulations.
- (4a) The draft of the Rule to be made need not be the same as the draft of the proposed Rule to which the notice under section 303 relates.
- (5) A notice referred to in subsection (2) must—
- (a) invite written submissions and comments from any person or body in relation to the determination within a period specified by the AEMC, being a period not less than 6 weeks from the date of publication of the notice; and
  - (b) include a statement to the effect that any person or body may request, in writing within 1 week after the publication of the notice, the AEMC to hold a hearing in accordance with section 310; and
  - (c) contain any other information prescribed by the Regulations.

### **309 Right to make written submissions and comments in relation to draft Rule determination**

Any person or body, within the period specified in a notice under section 308(1), may make a written submission or comment in relation to a draft Rule determination to which the notice relates.

### **310 Pre-final Rule determination hearing may be held**

- (1) The AEMC may (but need not), at any time after publication of a notice under section 308(2)(b) and before making a final Rule determination, hold a hearing in relation to a draft Rule determination.

- (2) In addition, any person or body may request, in writing, within 1 week after the publication of a notice under section 308(2), the AEMC to hold a hearing in relation to a draft Rule determination.
- (3) Despite subsection (2), the AEMC may decide not to hold a hearing in relation to a draft Rule determination.
- (4) Without limiting the reasons why the AEMC may decide not to hold a hearing following a request under subsection (2) in relation to a draft Rule determination, the AEMC may decide not to hold a hearing if—
  - (a) the person or body that requests the AEMC to hold a hearing does not make a written submission or comment in accordance with section 309; and
  - (b) no other person or body requests the AEMC to hold a hearing.
- (5) If the AEMC decides not to hold a hearing after a request under subsection (2), it must give the person or body that requested the hearing its reasons, in writing, for declining that person's or body's request.
- (6) If the AEMC decides to hold a hearing, or agrees to hold a hearing after a request under subsection (2), the AEMC must—
  - (a) appoint a date (being not later than 3 weeks after the date of publication of the notice under section 308), time and place for the holding of the hearing; and
  - (b) publish a notice of that date, time and place.

### **311 Final Rule determination**

- (1) Subject to section 312, the AEMC must make a final Rule determination as to whether to make a proposed Rule.
- (2) Subject to this Chapter, the AEMC must, within 6 weeks after the period for written submissions or comments in relation to the draft Rule determination ends, publish—
  - (a) the final Rule determination; and

- (b) notice of the making of the final Rule determination.
- (3) A final Rule determination must contain—
- (a) the reasons of the AEMC as to whether or not it should make a Rule, including—
    - (i) in the case where the Rule to be made is not a more preferable Rule, the reasons of the AEMC as to whether it is satisfied the Rule will or is likely to contribute to the achievement of the national gas objective; and
    - (ii) in the case where the Rule to be made is a more preferable Rule, the reasons of the AEMC as to whether it is satisfied the more preferable Rule to be made will or is likely to better contribute to the achievement of the national gas objective than the market initiated Rule request to which the more preferable Rule relates; and
    - (iii) if the AEMC is required to take into account the form of regulation factors or the revenue and pricing principles, the reasons of the AEMC taking those factors or principles (as the case requires) into account; and
    - (iiia) if the AEMC is required to take into account the innovative trial principles, the reasons of the AEMC taking those principles into account; and
    - (iv) the reasons of the AEMC having regard to any relevant MCE statement of policy principles; and
    - (v) the reasons of the AEMC having regard to any other matters the AEMC considers relevant; and
  - (b) any other matters that are prescribed by the Regulations.
- (4) A notice referred to in subsection (2) must contain the information prescribed by the Regulations.

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### **312 Proposal to make more preferable Rule**

- (1) If, in view of the response to a draft Rule determination, the AEMC proposes to make a more preferable Rule, the AEMC may—
  - (a) make, and publish notice of, a draft Rule determination in respect of the proposed more preferable Rule; or
  - (b) make, and publish notice of, a final Rule determination for the proposed more preferable Rule.
- (2) The final Rule determination, or further draft Rule determination, and the related notice, must be published within 30 business days after the end of the period for submissions or comments on the earlier draft Rule determination.

### **313 Making of Rule**

- (1) Subject to this section, if the AEMC, in its final Rule determination, determines to make a Rule, the AEMC must make the relevant Rule as soon as practicable after the publication of the final Rule determination.
- (2) Notice of the making of the Rule must be published in the South Australian Government Gazette as soon as practicable after the making of the Rule.
- (3) The AEMC must not make a trial Rule unless the date on which the Rule will expire (which must be no more than 5 years after the date on which the trial Rule commences operation) is specified in the Rule.

### **314 Operation and commencement of Rule**

A Rule made under section 313 commences operation on the day the relevant notice is published in the South Australian Government Gazette or on any day after that day that is provided for in the relevant notice or the Rule.

### **314A Extension of trial Rule**

- (1) Subject to this section, the AEMC may, on request, extend, by notice, the date on which a trial Rule will expire (the *expiry date*) to a later date, being a date that falls not more than the period prescribed by the Regulations after the expiry date.
- (2) Before extending the expiry date of a trial Rule, the AEMC—
  - (a) must have regard to the innovative trial principles; and
  - (b) must consult with the AER; and
  - (c) if the AEMC considers that the trial Rule, or the trial project to which the trial Rule relates, may impact on AEMO's operation of systems relating to natural gas and markets for natural gas—must consult with AEMO; and
  - (d) may consult with AEMO or any other person.
- (3) A request under subsection (1) must—
  - (a) be made to the AEMC at least 60 days before the expiry date; and
  - (b) specify the length of the extension required.
- (4) A notice under subsection (1) must—
  - (a) be published; and
  - (b) specify the later date referred to in subsection (1).
- (5) The expiry date of a trial Rule may only be extended once under subsection (1).

### **314B AEMC may impose requirements on proponent of trial project on making trial Rule**

- (1) The AEMC may, in connection with making a trial Rule, by notice, impose requirements on a person or body that proposes to undertake the trial project (a *proponent*) to which the trial Rule relates.



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- (2) Without limiting subsection (1), the AEMC may impose a requirement that 1 or more reports be submitted to the AER in relation to the trial project.
  - (3) A notice under subsection (1) must—
    - (a) be published; and
    - (b) comply with any other requirements prescribed by the Regulations.
  - (4) A proponent to which requirements imposed under this section apply must comply with those requirements.
  - (5) If a proponent breaches subsection (4) and, as a result of the breach, the AER recommends that a trial Rule be revoked before the date on which the Rule will expire, the AEMC may—
    - (a) revoke the trial Rule; or
    - (b) vary or revoke a requirement imposed on the proponent, or impose further requirements on the proponent.

### **314C AEMC may revoke trial Rule on recommendation of AER**

- (1) The AEMC may, on the recommendation of the AER, revoke a trial Rule in accordance with this Chapter.
- (2) This section is in addition to, and does not limit, section 314B.

### **314D Special provision for revocation of trial Rule**

- (1) Part 1 Division 2, Part 3 and Part 4 do not apply to the revocation of a trial Rule by the AEMC under section 314B(5)(a) or 314C(1).
- (2) As soon as practicable after revoking a trial Rule under section 314B(5)(a) or 314C(1), the AEMC must—
  - (a) publish notice of the revocation, specifying the date on which the revocation takes effect, on its website; and
  - (b) publish reasons for the revocation on its website.

**315 Rule that is made to be published on website and made available to the public**

On publication of a notice in accordance with section 313(2), the AEMC must, without delay—

- (a) publish the Rule on its website; and
- (b) make copies of the Rule available to the public at its offices.

**316 Evidence of the National Gas Rules**

A document purporting to be a copy of—

- (a) the National Gas Rules; or
- (b) the initial National Gas Rules; or
- (c) an amendment to the initial National Gas Rules or the National Gas Rules,

endorsed with a certificate to which the seal of the AEMC has been duly affixed certifying the document is such a copy, is evidence that the document is such a copy.

**Part 4** **Miscellaneous provisions relating to rule making by the AEMC**

**317 Extension of periods of time in Rule making procedure**

- (1) Despite anything to the contrary in this Chapter and without limiting section 318, the AEMC may, by notice, extend a period of time specified in Chapter 9 Part 3 if the AEMC considers that a request for a Rule raises issues of sufficient complexity or difficulty or there is a material change in circumstances such that it is necessary that the relevant period of time specified in Chapter 9 Part 3 be extended.
- (2) A notice under subsection (1) must—
  - (a) be published; and

- (b) set out the period of time specified in Chapter 9 Part 3 to be extended; and
  - (c) specify a new period of time to apply in the place of the period of time specified in Chapter 9 Part 3.
- (3) A notice under subsection (1) may be published at the same time as a notice under section 303.
- (4) The AEMC may only extend a period of time under this section before the expiry of that time.

**318 AEMC may extend period of time for making of final Rule determination for further consultation**

- (1) This section applies if—
- (a) a person or body raises an issue in—
    - (i) a submission or comment in relation to a draft Rule determination; or
    - (ii) a hearing held under section 307 or 310; and
  - (b) the AEMC considers the issue raised by the person or body requires further public consultation in relation to the proposed Rule or draft Rule determination.
- (2) Despite anything to the contrary in this Chapter and without limiting section 317, the AEMC may, by notice, extend the period of time specified in section 311 within which it must make a final Rule determination.
- (3) A notice under subsection (2) must—
- (a) be published; and
  - (b) specify a new period of time to apply in the place of the period of time specified in section 311; and
  - (c) specify the issue on which the AEMC requires further public submissions and comments; and
  - (d) invite written submissions and comments from any person or body by the date specified in the notice.

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- (4) The new period of time must not have the effect of extending the relevant period of the time specified in section 311 by more than 4 weeks.
- (5) The AEMC may only extend the period of time under this section before the expiry of time specified in section 311.
- (6) Any person or body, within the period specified in a notice under subsection (2), may make a written submission or comment in relation to the issue specified in the notice.

### **319 AEMC may publish written submissions and comments unless confidential**

- (1) Subject to this section, the AEMC may publish any information in any written submission or comment given to it under this Chapter unless—
  - (a) the person or body who gave the information, claims, when giving it to the AEMC, that it contains confidential information; and
  - (b) the AEMC decides that the written submission or comment contains confidential information.
- (2) A written submission or comment given to the AEMC under this Chapter that has been claimed under this section to contain confidential information, and that the AEMC has decided contains confidential information, may be published if that information is omitted.
- (3) If information is omitted from a published written submission or comment given to the AEMC under this Chapter as being confidential information, a note to that effect must be included in the submission or comment at the place in the submission or comment from which the information is omitted.

*Note—*

See also section 71 of this Law and section 24 of the *Australian Energy Market Commission Establishment Act 2004* of South Australia.

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**320 AEMC must publicly report on Rules not made within 12 months of public notification of requests**

- (1) This section applies if the AEMC—
  - (a) publishes a notice under section 303 in respect of a request for the making of a Rule; but
  - (b) does not make a final Rule determination in respect of that request within 12 months after the publication of that notice (the *report trigger date*).
- (2) The AEMC must prepare a report on the request as soon as practicable after the report trigger date.
- (3) A report prepared under this section—
  - (a) must contain the reasons why the final Rule determination has not been made within 12 months after the publication of the notice under section 303; and
  - (b) must specify when the AEMC considers it will make the final Rule determination; and
  - (c) must be published.

**320A Subsequent rule making by AEMC**

Nothing in Part 2 Division 2 is to be taken to affect the power of the AEMC to make Rules (in accordance with this Law and the Regulations) for or with respect to any matter or thing referred to in section 74 and Schedule 1 to this Law (whether before or after Rules have been made under Part 2 Division 2).

## **Chapter 10      General**

### **Part 2                      Handling of confidential information**

#### **Division 1                      Disclosure of confidential information held by AER**

##### **324      Authorised disclosure of information given to the AER in confidence**

The AER is authorised to disclose information given to it in confidence in, or in connection with, the performance or exercise of its functions or powers under this Law or the Rules subject to and in accordance with—

- (a) this Division; or
- (b) section 184.

*Note—*

See also section 30 of this Law and section 44AAF of the *Competition and Consumer Act 2010* of the Commonwealth.

##### **325      Disclosure with prior written consent is authorised**

The AER is authorised to disclose information given to it in confidence if the AER has the written consent to do so of—

- (a) the person who gave the information; or
- (b) the person from whom the person referred to in paragraph (a) received that information.

##### **326      Disclosure for purposes of court and tribunal proceedings and to accord natural justice**

The AER is authorised to disclose information given to it in confidence—

- (a) for the purposes of civil or criminal proceedings; or
- (b) for the purposes of a proceeding before the Tribunal or a tribunal established by or under a law of this jurisdiction or another participating jurisdiction; or
- (c) for the purposes of according natural justice to a person affected by a decision (however described) of the AER under this Law or the Rules.

### **326A Disclosure of information to Energy Security Board**

The AER is authorised to disclose to the Energy Security Board information given to the AER in confidence in or in connection with the performance of its functions or the exercise of its powers under this Law or the Rules.

### **327 Disclosure of information given to the AER with confidential information omitted**

- (1) This section applies if—
  - (a) in compliance with this Law or the Rules or voluntarily, a person gives the AER information in confidence; and
  - (b) that information is contained in a document with other information.
- (2) The AER may disclose the document with the information given in confidence omitted.
- (3) The AER must include a note at the place in the document from which the information given in confidence is omitted to the effect that that information has been omitted from the document.

### **328 Disclosure of information given in confidence does not identify anyone**

The AER is authorised to disclose information given to it in confidence, in compliance with this Law or the Rules or voluntarily, if—

- (a) it does not disclose any elements of the information that could lead to the identification of the person to whom that information relates; or
- (b) the manner in which it discloses the information does not identify the person to whom that information relates.

*Example—*

Information disclosed under this section may be combined or arranged with other information provided that the manner in which that information is combined or arranged will not lead to the identification of the person to whom the information relates.

**328A Disclosure of information that has entered the public domain**

The AER is authorised to disclose information given to it in confidence, in compliance with this Law or the Rules or voluntarily, if the information is already in the public domain.

**328B Disclosure of information in an aggregated form**

The AER is authorised to disclose information given to it in confidence, in compliance with this Law or the Rules or voluntarily, if the information has been combined or arranged with other information so that it does not reveal any confidential aspects of the information.

**329 Disclosure of information authorised if detriment does not outweigh public benefit**

- (1) Despite sections 325 to 328B (inclusive), the AER is authorised to disclose information given to it in confidence, in compliance with this Law or the Rules or voluntarily, after the restricted period if the AER is of the opinion—
  - (a) that the disclosure of the information would not cause detriment to the person who has given it or to the person from whom that person received it; or



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- (b) that, although the disclosure of the information would cause detriment to such a person, the public benefit in disclosing it outweighs that detriment.
- (1a) However—
- (a) in the case of information given to the AER in order to comply with a regulatory information instrument—the AER must not disclose information under subsection (1) unless and until—
- (i) the AER has considered any reasons and information given to the AER under section 57A(1)(b) and (2) when determining whether or not it is of the opinion required by subsection (1); and
- (ii) the AER has complied with subsections (1b), (1c) and (1d); and
- (iii) the restricted period has expired; and
- (b) in the case of other information—the AER must not disclose information under subsection (1) unless and until—
- (i) the AER has complied with subsections (2) to (6) (inclusive); and
- (ii) the restricted period has expired.
- (1b) If the AER wishes to disclose information to which subsection (1a)(a) applies (after taking into account the requirements of subsections (1) and (1a)(a)) and—
- (a) the AER intends to disclose the information on the basis of the AER having formed the opinion required by subsection (1)(a), the AER must give the person who gave the information and, if the AER is aware that the person who gave the information in turn received the information from another person and is aware of that other person's identity and address, that other person—
- (i) a written notice stating—

- (A) that the AER wishes to disclose the information, specifying the nature of the intended disclosure; and
    - (B) that the AER is of the opinion required by subsection (1)(a); and
  - (ii) the AER's decision, in writing, setting out the reasons why the AER—
    - (A) wishes to make the disclosure; and
    - (B) is of the opinion required by subsection (1)(a); or
- (b) the AER intends to disclose the information on the basis of the AER having formed the opinion required by subsection (1)(b), the AER must give the person who gave the information and, if the AER is aware that the person who gave the information in turn received the information from another person and is aware of that other person's identity and address, that other person—
  - (i) a written notice stating—
    - (A) that the AER wishes to disclose the information, specifying the nature of the intended disclosure; and
    - (B) that the AER is of the opinion required by subsection (1)(b); and
    - (C) that the person, within the period specified in the notice (which must not be less than 5 business days after the date the notice is given to the person), may make representations to the AER solely in relation to the AER's reasons for deciding that the public benefit in disclosing the information outweighs any detriment that may be caused to the person by the disclosure; and
  - (ii) the AER's decision, in writing, setting out the reasons why the AER—
    - (A) wishes to make the disclosure; and

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- (B) is of the opinion required by subsection (1)(b).
- (1c) The AER must consider any representation that complies with the requirements of subsection (1b)(b)(i)(C) made to it by a person given a notice under subsection (1b)(b)(i) within the time specified in the notice.
- (1d) If, after considering any representation under subsection (1c), the AER wishes to disclose the information, the AER must give each person given a notice under subsection (1b)(b)(i)—
- (a) a written notice stating—
    - (i) that the AER wishes to disclose the information, specifying the nature of the intended disclosure; and
    - (ii) that the AER is of the opinion required by subsection (1)(b); and
  - (b) the AER’s decision, in writing, setting out the reasons why the AER—
    - (i) wishes to make the disclosure; and
    - (ii) is of the opinion required by subsection (1)(b).
- (1e) To avoid doubt, a person entitled to make representations under subsection (1b)(b)(i) is not entitled to make representations under that subsection in relation to the AER’s assessment of the detriment that may be caused to the person by the intended disclosure of the information.
- (2) Before disclosing information to which subsection (1a)(b) applies, the AER must give the person who gave the information—
- (a) a written notice (an *initial disclosure notice*) stating—
    - (i) that the AER wishes to disclose the information, specifying the nature of the intended disclosure; and
    - (ii) that the AER is of the opinion required by subsection (1); and

- (iii) that the person, within the period specified in the notice, may make representations to the AER not to disclose the information; and
  - (b) the AER's decision, in writing, setting out the reasons why the AER—
    - (i) wishes to make the disclosure; and
    - (ii) is of the opinion required by subsection (1).
- (3) If the AER is aware that the person who gave information to which subsection (1a)(b) applies in turn received the information from another person and is aware of that other person's identity and address, the AER must, before disclosing the information give that other person—
  - (a) a written notice (an *initial disclosure notice*) stating—
    - (i) that the AER wishes to disclose the information, specifying the nature of the intended disclosure; and
    - (ii) that the AER is of the opinion required by subsection (1); and
    - (iii) that the person, within the period specified in the notice, may make representations to the AER not to disclose the information; and
  - (b) the AER's decision, in writing, setting out the reasons why the AER—
    - (i) wishes to make the disclosure; and
    - (ii) is of the opinion required by subsection (1).
- (4) The AER must consider every representation made to it by a person given an initial disclosure notice under this section within the time specified in the notice.
- (5) The period of time specified in an initial disclosure notice must not be less than 5 business days after the date the initial disclosure notice is given to the person.

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- (6) If after considering any representation under subsection (4), the AER wishes to disclose the information, the AER must give the person given the initial disclosure notice—
- (a) a written notice (a *further disclosure notice*) stating—
    - (i) that the AER wishes to disclose the information, specifying the nature of the intended disclosure; and
    - (ii) that the AER is of the opinion required by subsection (1); and
  - (b) the AER's decision, in writing, setting out the reasons why the AER—
    - (i) wishes to make the disclosure; and
    - (ii) is of the opinion required by subsection (1).
- (7) For the purposes of this section, the disclosure of anything that is already in the public domain at the time the AER wishes to disclose it cannot cause detriment to any person referred to in subsection (1b), (2) or (3).
- (7a) Despite anything to the contrary in this Law, this section is taken to be an exhaustive statement of the requirements of the natural justice hearing rule in relation to—
- (a) the AER's decision under subsection (1) to disclose information given in confidence to the AER including, but not limited to, such information given to the AER in compliance with a regulatory information instrument and in relation to which a claim of confidentiality has been made in accordance with section 57A; and
  - (b) without limiting paragraph (a), if the AER's decision under subsection (1) is to disclose the confidential information, the AER's opinion—
    - (i) that the disclosure of the information would not cause detriment to the person who gave the information or, if the person who gave the information in turn received the information from another person, that other person (as the case may be); or

- (ii) that, although the disclosure of the information would cause detriment to such a person, the public benefit in disclosing it outweighs that detriment.
- (8) In this section—
  - restricted period* means—
    - (a) in the case of information given to the AER in order to comply with a regulatory information instrument—a period of 5 business days after—
      - (i) a notice has been given under subsection (1b)(a)(i); or
      - (ii) —
        - (A) a notice has been given under subsection (1b)(b)(i); or
        - (B) a notice has been given under subsection (1d)(a),whichever is the later; or
    - (b) in the case of other information—a period of 5 business days after—
      - (i) an initial disclosure notice has been given under this section; or
      - (ii) a further disclosure notice has been given under this section,whichever is the later.

## **Division 2                      Disclosure of confidential information held by AEMC**

### **330      Confidentiality of information**

- (1) Information provided to the AEMC for the purposes of an MCE directed review or a review conducted by the AEMC under section 83 is confidential information for the purposes of that procedure if—

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- (a) the person who provides it claims, when providing it to the AEMC, that it is confidential information; and
  - (b) the AEMC decides that the information is confidential information.
- (2) Nothing prevents the disclosure of confidential information by the AEMC in a report published under Division 4 or Division 5 of Chapter 2 Part 2, but the AEMC must ensure that the information is identified as such in the report.
  - (3) If the AEMC decides that information provided to it for the purposes of an MCE directed review or a review conducted by the AEMC under section 83 is confidential information, the AEMC, the MCE or a Minister of a participating jurisdiction may only publish a version of the report from which the information has been omitted.
  - (4) If information is omitted from a published version of a report as being confidential information, a note to that effect must be included in the decision at the place in the decision from which the information is omitted.

*Note—*

See also section 71 of this Law and section 24 of the *Australian Energy Market Commission Establishment Act 2004* of South Australia.

## Part 3                      Miscellaneous

### 332      **Failure to make a decision under this Law or the Rules within time does not invalidate the decision**

- (1) A decision (however described) made under this Law or the Rules by a regulatory scheme decision maker after the expiry of the period of time specified by this Law or Rules for the making of that decision is not to be taken to be an invalid decision only because the decision is not made within the specified period of time.
- (2) A decision to which subsection (1) applies takes effect on and from—

- (a) the day it is made; or
  - (b) if it specifies a date for operation or effect that is after the day it is made, that specified date.
- (3) In this section—
- regulatory scheme decision maker*** means any of the following:
- (a) the AER;
  - (b) the AEMC;
  - (c) AEMO.

### **333 Withdrawal of applications relating to particular determinations or classification**

- (1) A person who has made an application for a relevant decision may withdraw the application at any time before the decision is made.
- (2) A withdrawal of an application in accordance with this section must be—
  - (a) in writing; and
  - (b) given to the AER.
- (3) In this section—

***relevant decision*** means—

  - (a) a scheme pipeline determination; or
  - (b) a scheme pipeline revocation determination; or
  - (c) a greenfields incentive determination; or
  - (d) a greenfields price protection determination; or
  - (e) a classification decision; or
  - (f) a reclassification decision.



### **335A Penalty privilege**

If an individual has a privilege against self-exposure to a penalty, other than for a criminal offence, the individual is not excused from doing any of the following on that ground:

- (a) providing information under this Law, the Regulations or the Rules;
- (b) producing a document under this Law, the Regulations or the Rules;
- (c) providing evidence under this Law, the Regulations or the Rules;
- (d) answering a question under this Law, the Regulations or the Rules.

### **335B Court may grant relief from liability**

If in any proceedings under this Law in which a person, other than a body corporate, may be liable for an offence or a civil penalty it appears to the Court that the person acted honestly and reasonably and, having regard to all the circumstances of the case, ought fairly to be excused, the Court may relieve the person either wholly or partly from liability on such terms as the Court thinks fit.

### **336 Savings and transitionals**

Schedule 3 to this Law has effect.

## **Schedule 1      Subject matter for the National Gas Rules**

### **Regulatory determinations and classification of pipelines**

- 1      Scheme pipeline determinations, scheme pipeline revocation determinations, greenfields incentive determinations and greenfields price protection determinations (*regulatory determinations*), including—
  - (a)    the content of applications for regulatory determinations; and
  - (b)    procedures for dealing with applications for regulatory determinations; and
  - (c)    information that must be provided by a service provider and the consequences of failing to provide that information; and
  - (d)    procedures for making regulatory determinations; and
  - (e)    the content of regulatory determinations and decisions not to make regulatory determinations; and
  - (f)    publication of regulatory determinations and decisions not to make regulatory determinations.
  
- 2      Scheme pipeline elections, including—
  - (a)    the circumstances in which scheme pipeline elections may be made; and
  - (b)    the content of scheme pipeline elections.

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- 3 The classification or reclassification of pipelines, including—
- (a) the content of applications for classification and reclassification of pipelines; and
  - (b) procedures for dealing with applications for classification and reclassification of pipelines; and
  - (c) procedures for making classification decisions and reclassification decisions; and
  - (d) the content of classification decisions, reclassification decisions and decisions not to make a reclassification decision; and
  - (e) publication of classification decisions, reclassification decisions and decisions not to make a reclassification decision.

### **Access arrangements**

- 4 The submission to the AER, by service providers, of access arrangements or revisions to applicable access arrangements for approval by the AER, including requiring service providers to—
- (a) submit access arrangements for pipeline services provided by means of scheme pipelines; and
  - (b) submit more than 1 access arrangement; and
  - (c) to consolidate access arrangements.
- 5 The content of access arrangements and applicable access arrangements, including—
- (a) a description of pipeline services provided or that may be provided by means of scheme pipelines, including reference services; and
  - (b) the content of expansion and extension requirements; and
  - (c) the content of queuing requirements; and
  - (d) review submission dates, expiry dates and dates when revisions to access arrangements and applicable access arrangements are to take effect.
- 6 Variations to applicable access arrangements.

- 7 Information to accompany access arrangements submitted for approval, or proposals for revisions or variations to access arrangements, including information to enable a person to understand the background or basis or derivation of the access arrangement or proposal.
- 8 The provision and publication of information referred to in item 7.
- 9 Decisions of the AER that approve (with or without revisions or modifications) or do not approve access arrangements or proposals for revisions or variations to access arrangements.
- 10 The making of access arrangements by the AER when it does not approve access arrangements.
- 11 The contents of decisions of the AER that—
  - (a) approve or do not approve access arrangements or proposals for revisions or variations to access arrangements; and
  - (b) make access arrangements.
- 12 The procedure for the approval or making by the AER of access arrangements, or approval by the AER of proposals for revisions or variations to applicable access arrangements, including the publication and giving of—
  - (a) access arrangements and proposals; and
  - (b) decisions of the AER; and
  - (c) applicable access arrangements; and
  - (d) drafts of decisions of access arrangements and proposals and decisions of the AER.
- 13 Matters to be addressed by the AER in approving or not approving an access arrangement, or making an access arrangement, or approving or not approving revisions or variations to an applicable access arrangement.

**General duties for provision of pipeline services**

- 14 Queuing requirements for non-scheme pipelines.
- 15 Pipeline interconnection principles.

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- 16 Exemptions from the prohibition in section 136A.
- 17 Information that must be published by service providers under section 136C, including—
- (a) the collection, disclosure, verification, management and publication of information in relation to pipeline services, including information about—
    - (i) the terms and conditions on which the service provider is prepared to make a pipeline available for use by others; and
    - (ii) relevant prices, costs and methodologies associated with gaining access to (and using) a pipeline and relevant or related services; and
    - (iii) access contracts and arrangements used (or required to be used) by the service provider; and
  - (b) requirements to ensure that information is accurate and complete; and
  - (c) the imposition or recovery of costs associated with any matter referred to in a paragraph (a) or (b); and
  - (d) exemptions from the requirement to publish information.

### **Ring fencing requirements**

- 18 The content of a minimum ring fencing requirement.
- 19 AER ring fencing determinations and additional ring fencing requirements.
- 20 The approval by the AER of associate contracts and variations to associate contracts.
- 21 The grounds on which the AER may approve associate contracts and variations to associate contracts, including grounds different from those specified in section 147 or section 148.
- 22 Exemptions from minimum ring fencing requirements and associate contract provisions, including applications for exemptions.

### **Access to pipeline services**

- 23 Access to pipeline services.
- 24 The facilitation of requests for access to pipeline services (*access requests*), including—
- (a) requirements for the publication by service providers of user access guides that describe the processes for making access requests, access offers and access negotiations; and
  - (b) exemptions from the requirement to publish a user access guide; and
  - (c) requirements about access requests and the information to be provided by the service provider in response to access requests; and
  - (d) requirements about access offers; and
  - (e) access negotiations between a user or prospective user and a service provider; and
  - (f) the imposition or recovery of costs associated with facilitating access (or potential access) to pipeline services.
- 25 Requirements to ensure that information published in a user access guide, in response to access requests or during access negotiations, is accurate and complete.
- 26 The transfer of capacity of a pipeline to deliver pipeline services, including—
- (a) the circumstances when and how it is to happen; and
  - (b) the legal consequences of a transfer of that capacity.
- 27 The establishment and maintenance of registers of unutilised capacity of pipelines to deliver pipeline services, including the information to be included in such registers.
- 28 The public availability of information on registers referred to in item 27.
- 29 The provision of information to users of information about unutilised capacity of pipelines to deliver pipeline services.
- 30 The conditions a service provider may impose for the provision of pipeline services.

**Access disputes**

- 31 Access dispute notices, including—
- (a) the content of access dispute notices; and
  - (b) procedures for dealing with access dispute notices; and
  - (c) withdrawal of access dispute notices.
- 32 Parties to an access dispute, including—
- (a) applications to become a party to an access dispute; and
  - (b) procedures for dealing with applications to become a party to an access dispute.
- 33 Mediation of access disputes involving small shippers, including—
- (a) elections by small shippers to have an access dispute mediated; and
  - (b) appointments of mediators; and
  - (c) mediation procedures; and
  - (d) reports required to be given by mediators to the AER.
- 34 Procedures and time limits for the making of access determinations, including a fast track procedure for scheme pipeline access disputes.
- 35 The appointment of persons to inquire into and report on the safe operation of pipelines for the purpose of enabling the relevant adjudicator to make an access determination.
- 36 Principles to be taken into account by the relevant adjudicator when making an access determination.
- 37 Matters an access determination may deal with.

- 38 The kinds of access determinations that may be made, including determinations—
- (a) requiring prospective users or users to make capital contributions towards a service provider’s capital expenditure for the expansion of the capacity of pipelines; and
  - (b) that enable service providers to charge prospective users or users surcharges to recover capital expenditure for the expansion of the capacity of pipelines.
- 39 Circumstances in which an access dispute may be terminated.
- 40 Procedures for varying an access determination.
- 41 Allocation of costs of an arbitration between parties to a non-scheme pipeline access dispute.
- 42 Procedures for correcting errors in an access determination.

### **Sale and supply of gas to customers**

- 43 Credit support arrangements between service providers and retailers, including the financial obligations of service providers and retailers to support the sale and supply of natural gas to retail customers.
- 44 Charges for the connection of premises of retail customers.

### **Regulatory economic methodologies**

- 45 The regulatory economic methodologies (including the use of the methodology known as the “building block approach”) to be applied by—
- (a) the AER in approving or making an access arrangement; or
  - (b) the AER in approving revisions or a variation to an applicable access arrangement; or
  - (c) the relevant adjudicator in making an access determination.



- 46 If the Rules provide for the regulatory economic methodology known as the “building block approach” to be applied by—
- (a) the AER for the purpose of approving or making an access arrangement; or
  - (b) the AER for the purpose of approving revisions or a variation to an applicable access arrangement; or
  - (c) the relevant adjudicator for the purpose of making an access determination,
- the determination by the AER or the relevant adjudicator (as the case requires) of allowances for—
- (d) depreciation; or
  - (e) the operating costs of a service provider; or
  - (f) if the service provider is a corporation, the income tax payable by corporations.
- 47 The methodology known as “total factor productivity”—
- (a) as a regulatory economic methodology to be applied by—
    - (i) the AER for the purpose of approving or making an access arrangement; or
    - (ii) the AER for the purpose of approving revisions or a variation to an applicable access arrangement; or
    - (iii) the relevant adjudicator for the purpose of making an access determination; and
  - (b) as an economic regulatory tool to inform and assist the AER in applying, or analysing the application of, the regulatory economic methodology known as the “building block approach” by the AER for the purpose of—
    - (i) approving or making an access arrangement; or
    - (ii) approving revisions or a variation to an applicable access arrangement; and
  - (c) as an economic regulatory tool to inform and assist the relevant adjudicator in applying, or analysing the application of, the regulatory economic methodology known as the “building block approach” by the relevant adjudicator for the purpose of making an access determination in relation to the dispute.

- 48 The capital base with respect to a pipeline, and of a new facility for the purposes of—
- (a) approving or making an access arrangement; or
  - (b) approving revisions or a variation to an applicable access arrangement; or
  - (c) making an access determination.
- 49 The assessment, or treatment of, investment in pipelines and new facilities by—
- (a) the AER for the purposes of approving or making an access arrangement; or
  - (b) the AER for the purposes of approving revisions or a variation to an applicable access arrangement; or
  - (c) the relevant adjudicator for the purposes of making an access determination in relation to the dispute.
- 50 The economic framework and methodologies to be applied by the AER or the relevant adjudicator for the purposes of item 49.
- 51 Incentives for service providers to make efficient operating and investment decisions including, where applicable, service performance incentive schemes.
- 52 The treatment of capital contributions referred to in item 38(a) when determining the capital base with respect to a pipeline.
- 53 The handling of surcharges referred to in item 38(b).

**AER economic regulatory function or powers**

- 54 The way in which the AER performs or exercises an AER economic regulatory function or power, including the basis on which the AER makes an AER economic regulatory decision.
- 55 Principles to be applied, and procedures to be followed, by the AER in exercising or performing an AER economic regulatory function or power.

**East coast gas system reliability and supply adequacy functions**

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- 55T The development of reliability standards, including standards applying to specified geographical zones, location, markets, infrastructure or entities.
- 55U The obligations and functions of AEMO, the AEMC or the AER in relation to the reliability standards, including determining the standards, or the manner or process for determining the standards.
- 55V The way in which AEMO must use or consider the reliability standards in the exercise of its east coast gas system reliability and supply adequacy functions.
- 55W The way in which AEMO must exercise or perform its east coast gas system reliability and supply adequacy functions.
- 55X Arrangements to enable AEMO to contract with other parties to reduce or curtail natural gas demand.
- 55Y Obligations on relevant entities to contract with each other for certain purposes and on certain terms and conditions.
- 55Z Arrangements to procure, by or on behalf of AEMO, the supply or storage of natural gas, transport capacity and other services for the purposes of AEMO's east coast gas system reliability and supply adequacy functions, including the terms and conditions of the procurement.
- 55ZA Measures or mechanisms that must or may be implemented in response to actual or potential threats to the reliability or adequacy of the supply of natural gas within the east coast gas system.
- 55ZB Obligations on retailers, gas powered generators and other large gas users to develop plans to manage peak or other demand scenarios, including the form, content and implementation of those plans.
- 55ZC Arrangements to enable AEMO to, publicly or otherwise, signal or communicate actual or potential threats to the reliability or adequacy of the supply of natural gas within the east coast gas system, including the convening of conferences and requiring particular participants to attend those conferences.

- 55ZD The payment of fees and charges under section 91E to enable AEMO to recover costs relating to its east coast gas system reliability and supply adequacy functions.
- 55ZE The provision of information to AEMO in relation to its east coast gas system reliability and supply adequacy functions, who must give AEMO the information, the circumstances in which the information may or must be given and the way in which the information may or must be given, including a way set out in the Procedures.
- 55ZF Arrangements to pay compensation to relevant entities adversely affected by AEMO's exercise or performance of its east coast gas system reliability and supply adequacy functions, and to recover the compensation paid from relevant entities.
- 55ZG Arrangements to assist AEMO and participating jurisdictions to coordinate with each other in relation to addressing actual or potential threats.

### **AER gas price reporting functions**

- 56 The AER gas price reporting functions.

### **AEMO**

- 57 A registration scheme to be administered by AEMO for Registered participants in relation to a regulated gas market; the prudential and other requirements to be met by a Registered participant; exemption from registration; the suspension from registration or deregistration of a Registered participant; the exclusion of a Registered participant from a regulated gas market operated or administered by AEMO.
- 58 The operation and administration of a regulated gas market.
- 59 The declared system functions or STTM functions.
- 60 AEMO's functions, powers and duties, and the duties and obligations of Registered participants, exempted participants and others, in regard to the operation of a declared transmission system or a regulated gas market.

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- 61 The setting of prices (including maximum and minimum prices) for natural gas and services purchased through the declared wholesale gas market or short term trading market operated and administered by AEMO.
- 62 The regulation of a declared LNG storage provider and liquefied natural gas stored by the provider.
- 63 The metering of natural gas to record the production or consumption of natural gas.
- 64 The registration of metering installations used to meter natural gas.
- 65 The regulation of persons providing metering services relating to the metering of natural gas.
- 66 The matters to be dealt with in the gas statement of opportunities and the obligations of AEMO and other persons in regard to its preparation, review, revision and publication.
- 67 Principles to be applied, and procedures to be followed, by AEMO in exercising a power or performing a function in relation to the gas statement of opportunities.
- 68 In relation to the gas statement of opportunities—
- (a) the kinds of information that may or must be given to AEMO for the gas statement of opportunities, including—
    - (i) historic, current and forecast information; and
    - (ii) information that may be derived from other information in the possession or control of the person required to provide the information; and
  - (b) who must give AEMO the information; and
  - (c) the circumstances in which the information may or must be given; and
  - (d) the procedure for giving the information.
- 69 Fees payable to AEMO for services provided, or statutory functions performed, under this Law, the Rules or the Procedures.

- 70 The payment of money (including the payment of interest and the provision of related security)—
- (a) for the settlement of transactions for natural gas or services purchased or supplied through a regulated gas market operated and administered by AEMO; or
  - (b) to or from a Rule fund; or
  - (c) for any service provided, or statutory function performed, for which the Rules require payment.
- 71 Rules for determining the ownership of, and the transfer of title to, natural gas supplied at an STTM hub and for resolving disputes about ownership.
- 72 The terms and conditions on which service providers, or classes of service providers, may recover costs for allocating quantities of natural gas relating to market operator services.
- 73 The operation and administration of a gas trading exchange.
- 74 The content, operation and administration of a gas trading exchange agreement.
- 75 The duties and obligations of members of a gas trading exchange.
- 76 Other rules relating to the conduct (including suspension) of the members of a gas trading exchange.
- 77 The determination and settlement of payments in relation to a gas trading exchange.

### **Natural Gas Services Bulletin Board**

- 78 The establishment and maintenance of a website that contains information in relation to the natural gas industry.
- 79 Principles to be applied, and procedures to be followed, by AEMO in exercising a power or performing a function in relation to the Natural Gas Services Bulletin Board.

- 80 The kinds of information that may or must be given to AEMO, who must give AEMO the information, the circumstances in which the information may or must be given, and the procedure for giving the information.
- 81 The kinds of information that may or must be included on the Natural Gas Services Bulletin Board and the manner in which information is to be dealt with before being put on the Natural Gas Services Bulletin Board, including, but not limited to, the removal of information that would identify the person who gave the information.
- 82 Persons, or classes of persons, to whom the requirement to give information does not apply and the circumstances in which the requirement does not apply, including, but not limited to, the grant of power to AEMO to exempt persons, or classes of persons, from that requirement.
- 83 The circumstances in which the requirement to give information may start to apply again to the persons, or classes of persons, mentioned in item 82.
- 84 Persons, or classes of persons, who may access the Natural Gas Services Bulletin Board and the class, or classes, of information to which they may have access.
- 85 The terms and conditions on which the persons, or classes of persons, mentioned in item 84 may access the Natural Gas Services Bulletin Board.
- 86 The procedure for dealing with information that was, but is no longer, on the Natural Gas Services Bulletin Board.
- 87 Persons, or classes of persons, who may have access to information that was, but is no longer on the Natural Gas Services Bulletin Board and the class, or classes, of information to which they may have access.
- 88 The terms and conditions on which the persons, or classes of persons, mentioned in item 87 may have access to information that was, but is no longer on the Natural Gas Services Bulletin Board.

- 89 The terms and conditions on which service providers, or classes of service providers, may recover amounts from AEMO for aggregating Bulletin Board information for the Bulletin Board operator.
- 90 Matters mentioned in items 78 to 89, in so far as they relate to emergency situations.

**Facilitating capacity trades and the capacity auction**

- 91 The making of, and amendment to, an Operational Transportation Service Code, including—
- (a) the establishment, membership and operation of a representative panel for the Code; and
  - (b) the functions of AEMO in relation to the panel; and
  - (c) the functions of the panel in connection with proposals for amendment of the Code.
- 92 The content of an Operational Transportation Service Code.
- 93 Requirements for a standard OTSA and the services provided under a standard OTSA.
- 94 Publication of a standard OTSA, entry into a standard OTSA and amendment of a standard OTSA.
- 95 Requirements for transportation service providers to give effect to operational transfers.
- 96 The determination of payments to transportation service providers for use of an operational transportation service after termination or suspension of the contract from which the transportation capacity was first derived.
- 97 A registration scheme to be administered by AEMO for registration of transportation service providers and transportation facilities.
- 98 The provision of information to AEMO about the points at or between which transportation services are provided and the publication of that information by AEMO.



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- 99 The allocation of service points to zones and the transfer of transportation capacity between service points.
- 100 The recording of information about nominations and renominations for the use of transportation services and the scheduling and curtailment of transportation services and the provision of that information to AEMO or the AER.
- 101 The recovery of the costs of transportation service providers in connection with the provision of a standard OTSA, a capacity auction and the transaction support arrangements and the publication of schedules of charges.
- 102 The negotiation or determination of provisions in agreements with transportation facility users to facilitate sale by operational transfer and the transfer of capacity between service points.
- 103 Exemptions in connection with a standard OTSA or capacity auction.

### **Capacity auctions**

- 104 The capacity auction functions and the operation and administration of a capacity auction.
- 105 The transportation services to be available through a capacity auction and the determination of the quantities of transportation capacity to be offered in the capacity auction.
- 106 The form of a capacity auction and the rules relating to the conduct (including suspension) of a capacity auction.
- 107 The duties and obligations of transportation service providers in relation to a capacity auction, including the provision of information and the maintenance of records in relation to the nomination, scheduling and supply of transportation services.
- 108 The content, operation and administration of capacity auction agreements.
- 109 The duties and obligations of capacity auction participants.
- 110 The activities of transportation service providers and transportation facility users in connection with a capacity auction.

- 111 The determination and settlement of payments in relation to a capacity auction.
- 112 The order of priority to be given to transportation services using transportation capacity bought in a capacity auction, including in the scheduling, supply or curtailment of transportation services.
- 113 The classification of transportation services as priority services in connection with a capacity auction.
- 114 The functions of the AER in relation to transportation services classified as priority services in connection with a capacity auction and variations to those services.

### **Standard market timetable**

- 115 Provision for or with respect to a standard market timetable, including requirements concerning use of a standard market timetable and the measurement of gas flows over periods corresponding to the standard gas day.
- 116 Provision for or with respect to the negotiation or determination of amendments to contracts for transition to the use of a standard market timetable.

### **Miscellaneous**

- 117 Specification of pipeline services as reference services.
- 118 The preparation (including public consultation) and publication by the AER of discussion papers relating to the AER's functions and powers under this Law and the Rules.
- 119 Reviews by or on behalf of—
  - (a) the AER or the AEMC; or
  - (b) any other person appointed, in accordance with the Rules.
- 120 Reporting and disclosing information to the AER.

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- 121 The establishment and maintenance of a register by the AEMC of the following:
- (a) all previous and current determinations and decisions made in relation to a pipeline under Chapter 3; and
  - (b) all previous and current exemptions from publishing prescribed transparency information under section 136C; and
  - (c) all previous and current determinations and decisions made in relation to a pipeline under Chapters 3 and 5 as in force from time to time before the commencement of Part 19 of Schedule 3.
- 122 Time periods within which the AER must make a decision (including an AER economic regulatory decision).
- 123 Extensions to periods of time referred to in item 122.
- 124 Reports into failures to make decisions within a specified period of time and the publication of such reports.
- 125 Confidential information held by service providers, users, prospective users, end users, the AER, the AEMC, AEMO and other persons or bodies conferred a function, or exercising a power or right, or on whom an obligation is imposed, under the Rules, and the manner and circumstances in which that information may be disclosed.
- 126 Dispute resolution, including—
- (a) definition of the class of disputes subject to the dispute resolution provisions of the Rules; and
  - (b) the appointment of persons to arbitrate, mediate or assist in some other way in the resolution of such disputes; and
  - (c) the appointment of a person to manage and facilitate the dispute resolution process (without however derogating from that person's power to act personally as an arbitrator or mediator in a particular dispute); and
  - (d) the dispute resolution process; and
  - (e) rights of appeal on questions of law against decisions made in the course of the dispute resolution process.

- 127 Energy Consumers Australia (including provisions for its funding).
- 128 The modification of section 3, 8 or 10.8 of the Gas Code as those sections apply to a transitioned access arrangement (as defined in clause 1 of Schedule 3 to this Law).
- Note—*  
See also clause 30 of Schedule 3 to this Law.
- 129 Any other matter or thing that is the subject of, or is of a kind dealt with by, a provision of the Gas Code as in operation and effect immediately before the commencement of section 20 of the *National Gas (South Australia) Act 2008* of South Australia.
- 130 Any other matter or thing that is the subject of, or is of a kind dealt with by, a provision of the superseded jurisdictional rules.
- 131 Any matter or thing relating to gas prescribed by the Regulations.

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## **Schedule 2      Miscellaneous provisions relating to interpretation**

(section 20)

### **Part 1                      Preliminary**

#### **1                      Displacement of Schedule by contrary intention**

- (1) The application of this Schedule to this Law, the Regulations or other statutory instrument (other than the National Gas Rules) may be displaced, wholly or partly, by a contrary intention appearing in this Law or the Regulations or that statutory instrument.
- (2) The application of this Schedule to the National Gas Rules (other than clauses 7, 12, 15, 17, 19 and 20, 23 to 26 and 31 to 44, 49, 52 and 53 of this Schedule) may be displaced, wholly or partly, by a contrary intention appearing in the National Gas Rules.

### **Part 2                      General**

#### **2                      Law to be construed not to exceed legislative power of Legislature**

- (1) This Law is to be construed as operating to the full extent of, but so as not to exceed, the legislative power of the Legislature of this jurisdiction.
- (2) If a provision of this Law, or the application of a provision of this Law to a person, subject matter or circumstance, would, but for this clause, be construed as being in excess of the legislative power of the Legislature of this jurisdiction—
  - (a) it is a valid provision to the extent to which it is not in excess of the power; and

- (b) the remainder of this Law, and the application of the provision to other persons, subject matters or circumstances, is not affected.
- (3) Without limiting subclause (2), this Law is not to be construed as imposing any duty on the Australian Competition Tribunal or AER to perform a function or exercise a power if the imposition of the duty would be in excess of the legislative power of the Legislature of this jurisdiction.

*Note—*

The term *function* is defined in clause 10 to include “duty”.

- (4) In particular, if a provision of this Law appears to impose a duty on a Commonwealth officer or body to perform a function or exercise a power, the duty is taken to be imposed by the provision to the extent to which imposing the duty—
  - (a) is within the legislative powers of this jurisdiction; and
  - (b) is consistent with the constitutional doctrines under the Constitution of the Commonwealth restricting the duties that may be imposed on a Commonwealth officer or body.
- (4a) To avoid doubt, a provision of this Law does not impose the duty on the Commonwealth officer or body to the extent to which imposing the duty would—
  - (a) contravene any constitutional doctrine under the Constitution of the Commonwealth restricting the duties that may be imposed on a Commonwealth officer or body; or
  - (b) otherwise exceed the legislative powers of this jurisdiction.
- (4b) If imposing on the Commonwealth officer or body the duty to do that thing would—
  - (a) contravene any constitutional doctrine restricting the duties that may be imposed on a Commonwealth officer or body; or
  - (b) otherwise exceed the legislative powers of both the State and the Commonwealth,

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the provision of this Law is taken instead to confer on the Commonwealth officer or body a power to do that thing at the discretion of the Commonwealth officer or body (as the case may require).

- (5) This clause does not limit the effect that a provision of this Law would validly have apart from this clause.

### **3 Changes of drafting practice not to affect meaning**

Differences of language between provisions of this Law or the Rules may be explicable by reference to changes of legislative drafting practice and do not necessarily imply a difference of meaning.

### **4 Material that is, and is not, part of Law**

- (1) The heading to a Chapter, Part, Division or Subdivision into which this Law is divided is part of this Law.
- (2) A Schedule to this Law is part of this Law.
- (3) A heading to a section or subsection of this Law does not form part of this Law.
- (4) A note at the foot of a provision of this Law does not form part of this Law.
- (5) An example (being an example at the foot of a provision of this Law under the heading “Example” or “Examples”) does not form part of this Law.

### **5 References to particular Acts and to enactments**

In this Law—

- (a) an Act of this jurisdiction may be cited—
- (i) by its short title; or
- (ii) in another way sufficient in an Act of this jurisdiction for the citation of such an Act; and
- (b) a Commonwealth Act may be cited—

- (i) by its short title; or
- (ii) in another way sufficient in a Commonwealth Act for the citation of such an Act,  
together with a reference to the Commonwealth; and
- (c) an Act of another jurisdiction may be cited—
  - (i) by its short title; or
  - (ii) in another way sufficient in an Act of the jurisdiction for the citation of such an Act,  
together with a reference to the jurisdiction.

## **6 References taken to be included in Act or Law citation etc**

- (1) A reference in this Law to an Act includes a reference to—
  - (a) the Act as originally enacted, and as amended from time to time since its original enactment; and
  - (b) if the Act has been repealed and re-enacted (with or without modification) since the enactment of the reference, the Act as re-enacted, and as amended from time to time since its re-enactment.
- (2) A reference in this Law to a provision of this Law or of an Act includes a reference to—
  - (a) the provision as originally enacted, and as amended from time to time since its original enactment; and
  - (b) if the provision has been omitted and re-enacted (with or without modification) since the enactment of the reference, the provision as re-enacted, and as amended from time to time since its re-enactment.
- (3) Subclauses (1) and (2) apply to a reference in this Law to a law of the Commonwealth or another jurisdiction as they apply to a reference in this Law to an Act and to a provision of an Act.



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**7 Interpretation best achieving Law's purpose**

- (1) In the interpretation of a provision of this Law, the interpretation that will best achieve the purpose or object of this Law is to be preferred to any other interpretation.
- (2) Subclause (1) applies whether or not the purpose is expressly stated in this Law.

**8 Use of extrinsic material in interpretation**

- (1) In this clause—

*Law extrinsic material* means relevant material not forming part of this Law, including, for example—

- (a) material that is set out in the document containing the text of this Law as printed by authority of the Government Printer of South Australia; and
- (b) a relevant report of a committee of the Legislative Council or House of Assembly of South Australia that was made to the Legislative Council or House of Assembly of South Australia before the provision was enacted; and
- (c) an explanatory note or memorandum relating to the Bill that contained the provision, or any relevant document, that was laid before, or given to the members of, the Legislative Council or House of Assembly of South Australia by the member bringing in the Bill before the provision was enacted; and
- (d) the speech made to the Legislative Council or House of Assembly of South Australia by the member in moving a motion that the Bill be read a second time; and
- (e) material in the Votes and Proceedings of the Legislative Council or House of Assembly of South Australia or in any official record of debates in the Legislative Council or House of Assembly of South Australia; and
- (f) a document that is declared by the Regulations to be a relevant document for the purposes of this clause;

**ordinary meaning** means the ordinary meaning conveyed by a provision having regard to its context in this Law and to the purpose of this Law;

**Rule extrinsic material** means—

- (a) a draft Rule determination; or
  - (b) a final Rule determination; or
  - (c) any document (however described)—
    - (i) relied on by the AEMC in making a draft Rule determination or final Rule determination; or
    - (ii) adopted by the AEMC in making a draft Rule determination or final Rule determination.
- (2) Subject to subclause (4), in the interpretation of a provision of this Law, consideration may be given to Law extrinsic material capable of assisting in the interpretation—
- (a) if the provision is ambiguous or obscure, to provide an interpretation of it; or
  - (b) if the ordinary meaning of the provision leads to a result that is manifestly absurd or is unreasonable, to provide an interpretation that avoids such a result; or
  - (c) in any other case, to confirm the interpretation conveyed by the ordinary meaning of the provision.
- (3) Subject to subclause (4), in the interpretation of a provision of the Rules, consideration may be given to Law extrinsic material or Rule extrinsic material capable of assisting in the interpretation—
- (a) if the provision is ambiguous or obscure, to provide an interpretation of it; or
  - (b) if the ordinary meaning of the provision leads to a result that is manifestly absurd or is unreasonable, to provide an interpretation that avoids such a result; or
  - (c) in any other case, to confirm the interpretation conveyed by the ordinary meaning of the provision.
- (4) In determining whether consideration should be given to Law extrinsic material or Rule extrinsic material, and in

determining the weight to be given to Law extrinsic material or Rule extrinsic material, regard is to be had to—

- (a) the desirability of a provision being interpreted as having its ordinary meaning; and
- (b) the undesirability of prolonging proceedings without compensating advantage; and
- (c) other relevant matters.

## 9 Compliance with forms

- (1) If a form is prescribed or approved by or for the purpose of this Law, strict compliance with the form is not necessary and substantial compliance is sufficient.
- (2) If a form prescribed or approved by or for the purpose of this Law requires—
  - (a) the form to be completed in a specified way; or
  - (b) specified information or documents to be included in, attached to or given with the form; or
  - (c) the form, or information or documents included in, attached to or given with the form, to be verified in a specified way,

the form is not properly completed unless the requirement is complied with.

## Part 3 Terms and references

### 10 Definitions

In this Law—

*Act* means an Act of the Legislature of this jurisdiction;

*affidavit*, in relation to a person allowed by law to affirm, declare or promise, includes affirmation, declaration and promise;

*amend* includes—

(a) omit or omit and substitute; or

(b) alter or vary; or

(c) amend by implication;

**appoint** includes re-appoint;

**breach** includes fail to comply with;

**business day** means a day that is not—

(a) a Saturday or Sunday;

(b) observed as a public holiday on the same day in each of the participating jurisdictions (except the Commonwealth);

**calendar month** means a period starting at the beginning of any day of 1 of the 12 named months and ending—

(a) immediately before the beginning of the corresponding day of the next named month; or

(b) if there is no such corresponding day, at the end of the next named month;

**calendar year** means a period of 12 months beginning on 1 January;

**commencement**, in relation to this Law or an Act or a provision of this Law or an Act, means the time at which this Law, the Act or provision comes into operation;

**confer**, in relation to a function, includes impose;

**contravene** includes fail to comply with;

**definition** means a provision of this Law (however expressed) that—

(a) gives a meaning to a word or expression; or

(b) limits or extends the meaning of a word or expression;

**document** includes—

(a) any paper or other material on which there is writing; or

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- (b) any paper or other material on which there are marks, figures, symbols or perforations having a meaning for a person qualified to interpret them; or
  - (c) any disc, tape or other article or any material from which sounds, images, writings or messages are capable of being reproduced (with or without the aid of another article or device);

**estate** includes easement, charge, right, title, claim, demand, lien or encumbrance, whether at law or in equity;

**expire** includes lapse or otherwise cease to have effect;

**fail** includes refuse;

**financial year** means a period of 12 months beginning on 1 July;

**function** includes duty;

**Gazette** means the Government Gazette of this jurisdiction;

**instrument** includes a statutory instrument;

**interest**, in relation to land or other property, means—

- (a) a legal or equitable estate in the land or other property; or
- (b) a right, power or privilege over, or in relation to, the land or other property;

**make** includes issue or grant;

**minor** means an individual who is under 18 years of age;

**modification** includes addition, omission or substitution;

**month** means a calendar month;

**named month** means 1 of the 12 months of the year;

**number** means—

- (a) a number expressed in figures or words; or
- (b) a letter; or
- (c) a combination of a number so expressed and a letter;

***oath***, in relation to a person allowed by law to affirm, declare or promise, includes affirmation, declaration or promise;

***office*** includes position;

***omit***, in relation to a provision of this Law or an Act, includes repeal;

***party*** includes a body politic or body corporate as well as an individual;

***penalty*** includes a civil penalty, forfeiture or punishment;

***person*** includes a body politic or body corporate as well as an individual;

***power*** includes authority;

***prescribed*** means prescribed by the Regulations;

***printed*** includes typewritten, lithographed or reproduced by any mechanical means;

***proceeding*** means a legal or other action or proceeding;

***property*** means any legal or equitable estate or interest (whether present or future, vested or contingent, or tangible or intangible) in real or personal property of any description (including money), and includes things in action;

***provision***, in relation to this Law or an Act, means words or other matter that form or forms part of this Law or the Act, and includes—

- (a) a Part, Division, Subdivision, section, subsection, paragraph, subparagraph, subsubparagraph or Schedule of or to this Law or the Act; or
- (b) a section, clause, subclause, item, column, table or form of or in a Schedule to this Law or the Act; or
- (c) the long title and any preamble to the Act;

***record*** includes information stored or recorded by means of a computer;

***repeal*** includes—

- (a) revoke or rescind; or

- (b) repeal by implication; or
- (c) abrogate or limit the effect of the law or instrument concerned; or
- (d) exclude from, or include in, the application of the law or instrument concerned, any person, subject matter or circumstance;

*sign* includes the affixing of a seal or the making of a mark;

*statutory declaration* means a declaration made under an Act, or under a Commonwealth Act or an Act of another jurisdiction, that authorises a declaration to be made otherwise than in the course of a judicial proceeding;

*statutory instrument* means the Regulations or an instrument made or in force under this Law;

*swear*, in relation to a person allowed by law to affirm, declare or promise, includes affirm, declare or promise;

*word* includes any symbol, figure or drawing;

*writing* includes any mode of representing or reproducing words in a visible form.

## 11 Provisions relating to defined terms and gender and number

- (1) If this Law defines a word or expression, other parts of speech and grammatical forms of the word or expression have corresponding meanings.
- (2) Definitions in or applicable to this Law apply except so far as the context or subject matter otherwise indicates or requires.
- (3) In this Law, words indicating a gender include each other gender.
- (4) In this Law—
  - (a) words in the singular include the plural; and
  - (b) words in the plural include the singular.

## **12 Meaning of may and must etc**

- (1) In this Law, the word “may”, or a similar word or expression, used in relation to a power indicates that the power may be exercised or not exercised, at discretion.
- (2) In this Law, the word “must”, or a similar word or expression, used in relation to a power indicates that the power is required to be exercised.
- (3) This clause has effect despite any rule of construction to the contrary.

## **13 Words and expressions used in statutory instruments**

- (1) Words and expressions used in a statutory instrument have the same meanings as they have, from time to time, in this Law, or relevant provisions of this Law, under or for the purposes of which the instrument is made or in force.
- (2) This clause has effect in relation to an instrument except so far as the contrary intention appears in the instrument.

## **14 References to Minister**

- (1) In this Law—
  - (a) a reference to a Minister is a reference to a Minister of the Crown of this jurisdiction; and
  - (b) a reference to a particular Minister by title, or to “the Minister” without specifying a particular Minister by title, includes a reference to another Minister, or a member of the Executive Council of this jurisdiction, who is acting for and on behalf of the Minister.
- (2) In a provision of this Law, a reference to “the Minister”, without specifying a particular Minister by title is a reference to—
  - (a) the Minister of this jurisdiction administering the provision; or



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- (b) if, for the time being, different Ministers of this jurisdiction administer the provision in relation to different matters—
    - (i) if only 1 Minister of this jurisdiction administers the provision in relation to the relevant matter, the Minister; or
    - (ii) if 2 or more Ministers of this jurisdiction administer the provision in relation to the relevant matter, any 1 of those Ministers; or
  - (c) if paragraph (b) does not apply and, for the time being, 2 or more Ministers administer the provision, any 1 of the Ministers.
- (3) For the removal of doubt, it is declared that if—
- (a) a provision of this Law is administered by 2 or more Ministers of this jurisdiction; and
  - (b) the provision requires or permits anything to be done in relation to any of the Ministers,
- the provision does not require or permit it to be done in a particular case by or in relation to more than 1 of the Ministers.

## **15 Production of records kept in computers etc**

If a person who keeps a record of information by means of a mechanical, electronic or other device is required by or under this Law—

- (a) to produce the information or a document containing the information to a court, tribunal or person; or
  - (b) to make a document containing the information available for inspection by a court, tribunal or person,
- then, unless the court, tribunal or person otherwise directs—
- (c) the requirement obliges the person to produce or make available for inspection, as the case may be, a document that reproduces the information in a form capable of being understood by the court, tribunal or person; and

- (d) the production to the court, tribunal or person of the document in that form complies with the requirement.

## **16 References to this jurisdiction to be implied**

In this Law—

- (a) a reference to an officer, office or statutory body is a reference to such an officer, office or statutory body in and for this jurisdiction; and
- (b) a reference to a locality or other matter or thing is a reference to such a locality or other matter or thing in and of this jurisdiction.

## **17 References to officers and holders of offices**

In this Law, a reference to a particular officer, or to the holder of a particular office, includes a reference to the person for the time being occupying or acting in the office concerned.

## **18 Reference to certain provisions of Law**

If a provision of this Law refers—

- (a) to a Chapter, Part, section or Schedule by a number and without reference to this Law, the reference is a reference to the Chapter, Part, section or Schedule, designated by the number, of or to this Law; or
- (b) to a Schedule without reference to it by a number and without reference to this Law, the reference, if there is only 1 Schedule to this Law, is a reference to the Schedule; or
- (c) to a Division, Subdivision, subsection, paragraph, subparagraph, subsubparagraph, clause, subclause, item, column, table or form by a number and without reference to this Law, the reference is a reference to—
  - (i) the Division, designated by the number, of the Part in which the reference occurs; and

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- (ii) the Subdivision, designated by the number, of the Division in which the reference occurs; and
  - (iii) the subsection, designated by the number, of the section in which the reference occurs; and
  - (iv) the paragraph, designated by the number, of the section, subsection, Schedule or other provision in which the reference occurs; and
  - (v) the paragraph, designated by the number, of the clause, subclause, item, column, table or form of or in the Schedule in which the reference occurs; and
  - (vi) the subparagraph, designated by the number, of the paragraph in which the reference occurs; and
  - (vii) the subsubparagraph, designated by the number, of the subparagraph in which the reference occurs; and
  - (viii) the section, clause, subclause, item, column, table or form, designated by the number, of or in the Schedule in which the reference occurs,
- as the case requires.

## **Part 4                      Functions and powers**

### **19            Performance of statutory functions**

- (1) If this Law confers a function or power on a person or body, the function may be performed, or the power may be exercised, from time to time as occasion requires.
- (2) If this Law confers a function or power on a particular officer or the holder of a particular office, the function may be performed, or the power may be exercised, by the person for the time being occupying or acting in the office concerned.
- (3) If this Law confers a function or power on a body (whether or not incorporated), the performance of the function, or the exercise of the power, is not affected merely because of vacancies in the membership of the body.

**20 Power to make instrument or decision includes power to amend or repeal**

If this Law authorises or requires the making of an instrument, decision or determination—

- (a) the power includes power to amend or repeal the instrument, decision or determination; and
- (b) the power to amend or repeal the instrument, decision or determination is exercisable in the same way, and subject to the same conditions, as the power to make the instrument, decision or determination.

**21 Matters for which statutory instruments may make provision**

(1) If this Law authorises or requires the making of a statutory instrument in relation to a matter, a statutory instrument made under this Law may make provision for the matter by applying, adopting or incorporating (with or without modification) the provisions of—

- (a) an Act or statutory instrument; or
- (b) another document (whether of the same or a different kind),

as in force at a particular time or as in force from time to time.

(2) If a statutory instrument applies, adopts or incorporates the provisions of a document, the statutory instrument applies, adopts or incorporates the provisions as in force from time to time, unless the statutory instrument otherwise expressly provides.

(3) A statutory instrument may—

- (a) be of general or limited application;
- (b) vary according to the persons, times, places or circumstances to which it is expressed to apply.

(4) A statutory instrument may authorise a matter or thing to be from time to time determined, applied or regulated by a specified person or body.

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- (5) If this Law authorises or requires a matter to be regulated by statutory instrument, the power may be exercised by prohibiting by statutory instrument the matter or any aspect of the matter.
  - (6) If this Law authorises or requires provision to be made with respect to a matter by statutory instrument, a statutory instrument made under this Law may make provision with respect to a particular aspect of the matter despite the fact that provision is made by this Law in relation to another aspect of the matter or in relation to another matter.
  - (7) A statutory instrument may provide for the review of, or a right of appeal against, a decision made under the statutory instrument, or this Law, and may, for that purpose, confer jurisdiction on any court, tribunal, person or body.
  - (8) A statutory instrument may require a form prescribed by or under the statutory instrument, or information or documents included in, attached to or given with the form, to be verified by statutory declaration.
  - (9) In this clause—  
*statutory instrument* does not include the National Gas Rules.

## **22 Presumption of validity and power to make**

- (1) All conditions and preliminary steps required for the making of a statutory instrument are presumed to have been satisfied and performed in the absence of evidence to the contrary.
- (2) A statutory instrument is taken to be made under all powers under which it may be made, even though it purports to be made under this Law or a particular provision of this Law.

## **23 Appointments may be made by name or office**

- (1) If this Law authorises or requires a person or body—
  - (a) to appoint a person to an office; or
  - (b) to appoint a person or body to exercise a power; or
  - (c) to appoint a person or body to do another thing,

the person or body may make the appointment by—

- (d) appointing a person or body by name; or
  - (e) appointing a particular officer, or the holder of a particular office, by reference to the title of the office concerned.
- (2) An appointment of a particular officer, or the holder of a particular office, is taken to be the appointment of the person for the time being occupying or acting in the office concerned.

## **24 Acting appointments**

- (1) If this Law authorises a person or body to appoint a person to act in an office, the person or body may, in accordance with this Law, appoint—
- (a) a person by name; or
  - (b) a particular officer, or the holder of a particular office, by reference to the title of the office concerned,
- to act in the office.
- (2) The appointment may be expressed to have effect only in the circumstances specified in the instrument of appointment.
- (3) The appointer may—
- (a) determine the terms and conditions of the appointment, including remuneration and allowances; and
  - (b) terminate the appointment at any time.
- (4) The appointment, or the termination of the appointment, must be in, or evidenced by, writing signed by the appointer.
- (5) The appointee must not act for more than 1 year during a vacancy in the office.
- (6) If the appointee is acting in the office otherwise than because of a vacancy in the office and the office becomes vacant, then, subject to subclause (2), the appointee may continue to act until—
- (a) the appointer otherwise directs; or
  - (b) the vacancy is filled; or

- 
- (c) the end of a year from the day of the vacancy, whichever happens first.
  - (7) The appointment ceases to have effect if the appointee resigns by writing signed and delivered to the appointer.
  - (8) While the appointee is acting in the office—
    - (a) the appointee has all the powers and functions of the holder of the office; and
    - (b) this Law and other laws apply to the appointee as if the appointee were the holder of the office.
  - (9) Anything done by or in relation to a person purporting to act in the office is not invalid merely because—
    - (a) the occasion for the appointment had not arisen; or
    - (b) the appointment had ceased to have effect; or
    - (c) the occasion for the person to act had not arisen or had ceased.
  - (10) If this Law authorises the appointer to appoint a person to act during a vacancy in the office, an appointment to act in the office may be made by the appointer whether or not an appointment has previously been made to the office.

## **25 Powers of appointment imply certain incidental powers**

- (1) If this Law authorises or requires a person or body to appoint a person to an office—
  - (a) the power may be exercised from time to time as occasion requires; and
  - (b) the power includes—
    - (i) power to remove or suspend, at any time, a person appointed to the office; and
    - (ii) power to appoint another person to act in the office if a person appointed to the office is removed or suspended; and
    - (iii) power to reinstate or reappoint a person removed or suspended; and

- (iv) power to appoint a person to act in the office if it is vacant (whether or not the office has ever been filled); and
  - (v) power to appoint a person to act in the office if the person appointed to the office is absent or is unable to discharge the functions of the office (whether because of illness or otherwise).
- (2) The power to remove or suspend a person under subclause (1)(b) may be exercised even if this Law provides that the holder of the office to which the person was appointed is to hold office for a specified period.
  - (3) The power to make an appointment under subclause (1)(b) may be exercised from time to time as occasion requires.
  - (4) An appointment under subclause (1)(b) may be expressed to have effect only in the circumstances specified in the instrument of appointment.

## **26 Delegation**

- (1) If this Law authorises a person to delegate a function or power, the person may, in accordance with this Law, delegate the power to—
  - (a) a person by name; or
  - (b) a particular officer, or the holder of a particular office, by reference to the title of the office concerned.
- (2) The delegation—
  - (a) may be general or limited; and
  - (b) may be made from time to time; and
  - (c) may be revoked, wholly or partly, by the delegator.
- (3) The delegation, or a revocation of the delegation, must be in, or evidenced by, writing signed by the delegator or if the delegator is a body corporate, by a person authorised by the body corporate for the purpose.



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- (4) A delegated function or power may be exercised only in accordance with any conditions to which the delegation is subject.
  - (5) The delegate may, in the exercise of a delegated function or power, do anything that is incidental to the delegated function or power.
  - (6) A delegated function or power that purports to have been exercised by the delegate is taken to have been duly exercised by the delegate unless the contrary is proved.
  - (7) A delegated function or power that is duly exercised by the delegate is taken to have been exercised by the delegator.
  - (8) If, when exercised by the delegator, a function or power is, under this Law, dependent on the delegator's opinion, belief or state of mind in relation to a matter, the function or power, when exercised by the delegate, is dependent on the delegate's opinion, belief or state of mind in relation to the matter.
  - (9) If a function or power is delegated to a particular officer or the holder of a particular office—
    - (a) the delegation does not cease to have effect merely because the person who was the particular officer or the holder of the particular office when the power was delegated ceases to be the officer or the holder of the office; and
    - (b) the function or power may be exercised by the person for the time being occupying or acting in the office concerned.
  - (10) A function or power that has been delegated may, despite the delegation, be exercised by the delegator.

## **27 Exercise of powers between enactment and commencement**

- (1) If a provision of this Law (the *empowering provision*) that does not commence on its enactment would, had it commenced, confer a power—
  - (a) to make an appointment; or

- (b) to make a statutory instrument of a legislative or administrative character; or
  - (c) to do another thing,then—
  - (d) the power may be exercised; and
  - (e) anything may be done for the purpose of enabling the exercise of the power or of bringing the appointment, instrument or other thing into effect,before the empowering provision commences.
- (2) If a provision of an Act of South Australia (the *empowering provision*) that does not commence on its enactment would, had it commenced, amend a provision of this Law so that it would confer a power—
  - (a) to make an appointment; or
  - (b) to make a statutory instrument of a legislative or administrative character; or
  - (c) to do another thing,then—
  - (d) the power may be exercised; and
  - (e) anything may be done for the purpose of enabling the exercise of the power or of bringing the appointment, instrument or other thing into effect,before the empowering provision commences.
- (3) If—
  - (a) this Law has commenced and confers a power to make a statutory instrument (the *basic instrument making power*); and
  - (b) a provision of an Act of South Australia that does not commence on its enactment would, had it commenced, amend this Law so as to confer additional power to make a statutory instrument (the *additional instrument making power*),then—

- 
- (c) the basic instrument making power and the additional instrument making power may be exercised by making a single instrument; and
  - (d) any provision of the instrument that required an exercise of the additional instrument making power is to be treated as made under subclause (2).
- (4) If an instrument, or a provision of an instrument, is made under subclause (1) or (2) that is necessary for the purpose of—
- (a) enabling the exercise of a power mentioned in the subclause; or
  - (b) bringing an appointment, instrument or other thing made or done under such a power into effect,
- the instrument or provision takes effect—
- (c) on the making of the instrument; or
  - (d) on such later day (if any) on which, or at such later time (if any) at which, the instrument or provision is expressed to take effect.
- (5) If—
- (a) an appointment is made under subclause (1) or (2); or
  - (b) an instrument, or a provision of an instrument, made under subclause (1) or (2) is not necessary for a purpose mentioned in subclause (4),
- the appointment, instrument or provision takes effect—
- (c) on the commencement of the relevant empowering provision; or
  - (d) on such later day (if any) on which, or at such later time (if any) at which, the appointment, instrument or provision is expressed to take effect.
- (6) Anything done under subclause (1) or (2) does not confer a right, or impose a liability, on a person before the relevant empowering provision commences.
- (7) After the enactment of a provision mentioned in subclause (2) but before the provision's commencement, this clause applies

as if the references in subclauses (2) and (5) to the commencement of the empowering provision were references to the commencement of the provision mentioned in subclause (2) as amended by the empowering provision.

- (8) In the application of this clause to a statutory instrument, a reference to the enactment of the instrument is a reference to the making of the instrument.

## **Part 5                      Distance and time**

### **28            Matters relating to distance and time**

- (1) In the measurement of distance for the purposes of this Law, the distance is to be measured along the shortest road ordinarily used for travelling.
- (2) If a period beginning on a given day, act or event is provided or allowed for a purpose by this Law, the period is to be calculated by excluding the day, or the day of the act or event, and—
- (a) if the period is expressed to be a specified number of clear days or at least a specified number of days, by excluding the day on which the purpose is to be fulfilled; and
- (b) in any other case, by including the day on which the purpose is to be fulfilled.
- (3) If the last day of a period provided or allowed by this Law for doing anything is not a business day in the place in which the thing is to be or may be done, the thing may be done on the next business day in the place.
- (4) If the last day of a period provided or allowed by this Law for the filing or registration of a document is a day on which the office is closed where the filing or registration is to be or may be done, the document may be filed or registered at the office on the next day that the office is open.

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- (5) If no time is provided or allowed for doing anything, the thing is to be done as soon as possible, and as often as the prescribed occasion happens.
  - (6) If, in this Law, there is a reference to time, the reference is, in relation to the doing of anything in a jurisdiction, a reference to the legal time in the jurisdiction.

## **Part 6                      Service of documents**

### **29      Service of documents and meaning of service by post etc**

- (1) If this Law requires or permits a document to be served on a person (whether the expression “deliver”, “give”, “notify”, “send” or “serve” or another expression is used), the document may be served—
  - (a) on a natural person—
    - (i) by delivering it to the person personally; or
    - (ii) by leaving it at, or by sending it by post, facsimile or similar facility to the last known address of the place of residence or usual place of business of the person; or
    - (iii) by sending it electronically to that person; or
  - (b) on a body corporate—
    - (i) by leaving it at the registered office or usual place of business of the body corporate with an officer of the body corporate; or
    - (ii) by sending it by post, facsimile or similar facility to its registered office or its usual place of business; or
    - (iii) by sending it electronically to that body corporate or an officer of the body corporate.
- (2) Nothing in subclause (1)—

- (a) affects the operation of another law that authorises the service of a document otherwise than as provided in the subclause; or
- (b) affects the power of a court or tribunal to authorise service of a document otherwise than as provided in the subclause.

### 30 Meaning of service by post etc

- (1) If this Law requires or permits a document to be served by post (whether the expression “deliver”, “give”, “notify”, “send” or “serve” or another expression is used), service—
  - (a) may be effected by properly addressing, prepaying and posting the document as a letter; and
  - (b) is taken to have been effected at the time at which the letter would be delivered in the ordinary course of post, unless the contrary is proved.
- (2) If this Law requires or permits a document to be served by a particular postal method (whether the expression “deliver”, “give”, “notify”, “send” or “serve” or another expression is used), the requirement or permission is taken to be satisfied if the document is posted by that method or, if that method is not available, by the equivalent, or nearest equivalent, method provided for the time being by Australia Post.

## Part 7 Evidentiary matters

### Division 1 Publication on websites

#### 31 Definitions

In this Division—

*decision maker* means the AER, the AEMC or AEMO;

*relevant decision or document* means—

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- (a) a decision (however described) or determination (however described) of a decision maker under this Law or the Rules; or
  - (b) an access arrangement to which a decision of the AER under the Law or Rules relates;

*relevant notice* means a notice under the Rules calling for or inviting submissions or comments in relation to a relevant decision or document;

## **32 Publication of decisions on websites**

- (1) For the purposes of this Law, a relevant decision or document or relevant notice that is required by this Law or the Rules to be published on a website is to be taken to be published on the website if—
  - (a) the relevant decision or document or relevant notice is made accessible in full on the website; or
  - (b) notice of the making or publication of the relevant decision or document or relevant notice is made accessible on that website and the relevant decision or document or relevant notice is made accessible separately in full on that website or in any other identified location.
- (2) The date on which the relevant decision or document or relevant notice is published on the website is the date notified by the relevant decision maker on the website as the date of the relevant decision's or document's or relevant notice's publication (being not earlier than the date on which it was first made so accessible).

## **Division 2 Evidentiary certificates**

### **33 Definitions**

In this Division—

**acting SES employee** has the same meaning as in section 17AA of the *Acts Interpretation Act 1901* of the Commonwealth;

**AEMC chief executive** means the chief executive of the AEMC appointed under section 16 of the *Australian Energy Market Commission Establishment Act 2004* of South Australia;

**AEMC Commissioner** means a Commissioner within the meaning of the *Australian Energy Market Commission Establishment Act 2004* of South Australia;

**AER member** has the same meaning as in the *Competition and Consumer Act 2010* of the Commonwealth;

**relevant notice** has the same meaning as in clause 31;

**SES employee** has the same meaning as in section 17AA of the *Acts Interpretation Act 1901* of the Commonwealth.

### 34 Evidentiary certificates—AER

In any proceedings under this Law, a certificate signed or purported to be signed by an AER member, or an SES employee or acting SES employee assisting the AER as mentioned in section 44AAC of the *Competition and Consumer Act 2010* of the Commonwealth, stating any of the following matters is evidence of the matter:

- (a) a stated document is 1 of the following things, made, given, served or issued under this Law or the Rules:
  - (i) a decision (however described) or determination (however described);
  - (ii) an authorisation under section 32;
  - (iii) a general regulatory information order;
  - (iv) a notice, notification, direction or requirement;
- (b) a stated document is a copy of a thing referred to in paragraph (a);
- (ba) a stated document is a copy of a rate of return instrument;



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- (c) on a stated day, a person was or was not:
    - (i) given a decision (however described), or determination (however described);
    - (ii) authorised as an authorised person (within the meaning of section 31);
    - (iii) served a notice under section 42 or a regulatory information notice;
    - (iv) notified under section 52;
    - (v) notified under section 143(3) of the making of an AER ring fencing determination;
  - (d) on a stated day any of the following were published on the AER's website:
    - (i) a decision (however described) or determination (however described);
    - (ii) a general regulatory information order;
    - (iii) an access arrangement or revisions to an applicable access arrangement submitted for approval under section 113;
    - (v) a relevant notice.

### **35 Evidentiary certificates—AEMC**

In any proceedings under this Law, a certificate signed or purported to be signed by a Commissioner or the AEMC chief executive, stating any of the following matters is evidence of the matter:

- (a) a stated document is a decision (however described), made, given, served or issued under this Law;
- (b) a stated document is a copy of a thing referred to in paragraph (a);
- (c) on a stated day, a person was or was not given a decision (however described);
- (d) on a stated day a relevant notice was published on the AEMC's website.

### **38 Evidentiary certificates—AEMO**

- (1) In any proceedings under this Law, any of the following certificates signed or purportedly signed by an authorised officer is evidence of the matter certified:
  - (a) a certificate certifying that a document identified in the certificate is a decision (however described) or a determination (however described) made by AEMO or a copy of such a decision or determination;
  - (b) a certificate certifying that a document identified in the certificate was made, issued, developed, prepared, promulgated, served, sent, delivered, or given under this Law or the Rules on a specified date or over a specified period;
  - (c) a certificate certifying that a decision, determination or notice was published on AEMO’s website on a specified date.
- (2) For this clause, an *authorised officer* is AEMO’s CEO or a person authorised by AEMO’s CEO to issue certificates under this clause.

## **Part 8 Commencement of this Law and statutory instruments**

### **39 Time of commencement of this Law or a provision of this Law**

If a provision of an Act of South Australia provides that this Law or a provision of this Law shall commence, or be deemed to have commenced, on a particular day, it shall commence, or be deemed to have commenced, at the beginning of that day.

### **40 Time of commencement of a Rule**

- (1) If a Rule provides that the Rule shall commence on a particular day, it shall commence at the beginning of that day.



- (b) later expires.

#### **43 Saving of operation of repealed Law, Regulation or Rule provisions**

- (1) The repeal, amendment or expiry of a provision of this Law, the Regulations or the Rules does not—
  - (a) revive anything not in force or existing at the time the repeal, amendment or expiry takes effect; or
  - (b) affect the previous operation of the provision or anything suffered, done or begun under the provision; or
  - (c) affect a right, privilege or liability acquired, accrued or incurred under the provision; or
  - (d) affect a penalty incurred in relation to an offence arising under the provision; or
  - (e) affect an investigation, proceeding or remedy in relation to such a right, privilege, liability or penalty.
- (2) Any such penalty may be imposed and enforced, and any such investigation, proceeding or remedy may be begun, continued or enforced, as if the provision had not been repealed or amended or had not expired.

#### **44 Continuance of repealed provisions**

- (1) If an Act of South Australia repeals some provisions of this Law and enacts new provisions in substitution for the repealed provisions, the repealed provisions continue in force until the new provisions commence.
- (2) If a Regulation or Rule repeals some provisions of the Regulations or Rules and enacts new provisions in substitution for the repealed provisions, the repealed provisions continue in force until the new provisions commence.

**45 Law and amending Acts to be read as one**

This Law and all Acts of this jurisdiction amending this Law are to be read as one.

**Part 10 Offences under this Law****46 Penalty at foot of provision**

In this Law, a penalty specified at the foot of—

- (a) a section (whether or not the section is divided into subsections); or
- (b) a subsection (but not at the end of a section); or
- (c) a section or subsection and expressed in such a way as to indicate that it applies only to part of the section or subsection,

indicates that an offence mentioned in the section, subsection or part is punishable on conviction or, if no offence is mentioned, a contravention of the section, subsection or part constitutes an offence against the provision that is punishable, on conviction, by a penalty not more than the specified penalty.

**47 Penalty other than at foot of provision**

- (1) In this Law, a penalty specified for an offence, or a contravention of a provision, indicates that the offence is punishable on conviction, or the contravention constitutes an offence against the provision that is punishable, on conviction, by a penalty not more than the specified penalty.
- (2) This clause does not apply to a penalty to which clause 36 applies.

#### **47A Indexation of civil penalty amounts**

- (1) Each civil penalty amount is to be adjusted in accordance with the method prescribed by the Regulations for the purposes of this clause.
- (2) The first adjustment is to occur on 1 July 2023.
- (3) The next adjustment is to occur on 1 July 2026 and an adjustment is to occur on 1 July every 3 years after that.
- (4) The AER must, on or as soon as practicable after the date of the first adjustment and before each subsequent adjustment, publish on its website the civil penalty amounts that apply on and from the date of the adjustment. However, a failure by the AER to do so does not invalidate an adjustment.
- (5) A civil penalty amount that is adjusted under this clause applies to a breach of a civil penalty provision that occurs or is alleged to occur on or after the date of the adjustment.
- (6) In this clause—  
*civil penalty amount* means—
  - (a) each amount specified in section 3A(1)(a), (b) or (c)(i) or (ii)(A); and
  - (b) each amount specified as an infringement penalty in section 279.

#### **47B Indexation of criminal penalties**

- (1) Each criminal penalty amount is to be adjusted in accordance with the method prescribed by the Regulations for the purposes of this clause.
- (2) The first adjustment is to occur on 1 July 2023.
- (3) The next adjustment is to occur on 1 July 2026 and an adjustment is to occur on 1 July every 3 years after that.
- (4) The AER must, on or as soon as practicable after the date of the first adjustment and before each subsequent adjustment, publish on its website the criminal penalty amounts that apply on and from the date of the adjustment. However, a failure by the AER to do so does not invalidate an adjustment.

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- (5) A criminal penalty amount that is adjusted under this clause applies to a breach of a provision that occurs or is alleged to occur on or after the date of the adjustment.
- (6) In this clause—
- criminal penalty amount* means any amount, specified in this Law, which is the maximum monetary penalty that may be imposed on conviction for the commission of an offence against this Law.

#### **48 Indictable offences and summary offences**

- (1) An offence against this Law that is not punishable by imprisonment is punishable summarily.
- (2) An offence against this Law that is punishable by imprisonment is, subject to subclause (3), punishable on indictment.
- (3) If—
- (a) a proceeding for an offence against this Law that is punishable by imprisonment is instituted in a court of summary jurisdiction; and
- (b) the prosecutor requests the court to hear and determine the proceeding,
- the offence is punishable summarily and the court must hear and determine the proceeding.
- (4) A court of summary jurisdiction must not—
- (a) impose, in relation to a single offence against this Law, a period of imprisonment of more than 2 years; or
- (b) impose, in relation to offences against the Law, cumulative periods of imprisonment that are, in total, more than 5 years.
- (5) Nothing in this clause renders a person liable to be punished more than once in relation to the same offence.

## **49 Double jeopardy**

- (1) If an act or omission constitutes an offence—
  - (a) under this Law as applied as a law of this jurisdiction; and
  - (b) under this Law as applied as a law of another jurisdiction,and the offender has been punished in relation to the offence under the law mentioned in paragraph (b), the offender is not liable to be punished in relation to the offence mentioned in paragraph (a).
- (2) If an act or omission constitutes—
  - (a) a breach of a civil penalty provision of this Law as applied as a law of this jurisdiction; and
  - (b) a breach of a civil penalty provision of this Law as applied as a law of another jurisdiction,and the person in breach of the civil penalty provision mentioned in paragraph (a) has been punished in relation to the civil penalty provision mentioned in paragraph (b), the person is not liable in relation to the breach of the civil penalty provision mentioned in paragraph (a).
- (3) The Court must not make a declaration that a person has breached a provision of this Law, the Regulations or the Rules that is not an offence provision if the person has been convicted of an offence constituted by conduct that is substantially the same as the conduct constituting the breach.
- (4) Proceedings for a declaration referred to in subclause (3) are stayed if—
  - (a) criminal proceedings are commenced or have already been commenced against the person for an offence; and
  - (b) the offence is constituted by conduct that is substantially the same as the conduct alleged to constitute the breach.
- (5) The proceedings for the declaration referred to in subclause (3) may be resumed if the person is not convicted of the offence. Otherwise, the proceedings for the declaration must be dismissed.



**50 Aiding and abetting, attempts etc**

- (1) A person who aids, abets, counsels or procures, or by act or omission is in any way directly or indirectly concerned in or a party to, the commission of an offence against this Law is taken to have committed that offence and is liable to the penalty for the offence.
- (2) A person who attempts to commit an offence against this Law commits an offence and is punishable as if the attempted offence had been committed.

**Part 11 Instruments under this Law****51 Schedule applies to statutory instruments**

- (1) This Schedule applies to a statutory instrument, and to things that may be done or are required to be done under a statutory instrument, in the same way as it applies to this Law, and things that may be done or are required to be done under this Law, except so far as the context or subject matter otherwise indicates or requires.
- (2) The fact that a provision of this Schedule refers to this Law and not also to a statutory instrument does not, by itself, indicate that the provision is intended to apply only to this Law.
- (3) In this clause—  
*statutory instrument* includes the Regulations, the rate of return instrument, the Rules or Procedures.

**51A Rate of return instrument construed not to exceed the legislative power of the Legislature of this jurisdiction or the powers conferred by this Law**

- (1) A rate of return instrument is to be construed as operating to the full extent of, but so as not to exceed, the legislative power of the Legislature of this jurisdiction or the power conferred by this Law under which it is made.

- (2) If a provision of the rate of return instrument, or the application of a provision of the instrument to a person, subject matter or circumstance, would, but for this clause, be construed as being in excess of the legislative power of the Legislature of this jurisdiction or the power conferred by this Law under which it is made—
- (a) it is a valid provision to the extent to which it is not in excess of the power; and
  - (b) the remainder of the instrument, and the application of the provision to other persons, subject matters or circumstances, is not affected.

**52 National Gas Rules to be construed so as not to exceed the legislative power of the Legislature of this jurisdiction or the powers conferred by this Law**

- (1) The National Gas Rules are to be construed as operating to the full extent of, but so as not to exceed, the legislative power of the Legislature of this jurisdiction or the power conferred by this Law under which they are made.
- (2) If a provision of the National Gas Rules, or the application of a provision of the National Gas Rules to a person, subject matter or circumstance, would, but for this clause, be construed as being in excess of the legislative power of the Legislature of this jurisdiction or the power conferred by this Law under which it is made—
- (a) it is a valid provision to the extent to which it is not in excess of that power; and
  - (b) the remainder of the National Gas Rules, and the application of the provision to other persons, subject matters, or circumstances, is not affected.
- (3) Without limiting subclause (2), the National Gas Rules are not to be construed as imposing any duty on the AER to perform a function or exercise a power if the imposition of the duty would be in excess of the legislative power of the Legislature of this jurisdiction.

*Note—*

The term *function* is defined in clause 10 to include “duty”.

- (4) In particular, if a provision of the National Gas Rules appears to impose a duty on a Commonwealth officer or body to perform a function or exercise a power, the duty is taken to be imposed by the provision to the extent to which imposing the duty—
- (a) is within the legislative powers of this jurisdiction; and
  - (b) is consistent with the constitutional doctrines under the Constitution of the Commonwealth restricting the duties that may be imposed on a Commonwealth officer or body.
- (4a) To avoid doubt, a provision of the National Gas Rules does not impose the duty on the Commonwealth officer or body to the extent to which imposing the duty would—
- (a) contravene any constitutional doctrine under the Constitution of the Commonwealth restricting the duties that may be imposed on a Commonwealth officer or body; or
  - (b) otherwise exceed the legislative powers of this jurisdiction.
- (4b) If imposing on the Commonwealth officer or body the duty to do that thing would—
- (a) contravene any constitutional doctrine restricting the duties that may be imposed on a Commonwealth officer or body; or
  - (b) otherwise exceed the legislative powers of both the State and the Commonwealth,
- the provision of the National Gas Rules is taken instead to confer on the Commonwealth officer or body a power to do that thing at the discretion of the Commonwealth officer or body (as the case may require).
- (5) This clause does not limit the effect that a provision of the National Gas Rules would validly have apart from this clause.

### **53 Invalid Rules**

- (1) If the Court orders (by declaration or otherwise) that a Rule is invalid, the order of the Court does not—
  - (a) revive anything not in force or existing at the time of the order of the Court; or
  - (b) affect the previous operation of the Rule or anything suffered, done or begun under the Rule; or
  - (c) affect a right, privilege or liability acquired, accrued or incurred under the Rule; or
  - (d) affect a penalty arising because of a breach of the Rule; or
  - (e) affect an investigation, proceeding or remedy in relation to such a right, privilege, liability or penalty.
- (2) A penalty may be imposed and enforced, and any such investigation, proceeding or remedy may be begun, continued or enforced as if the Rule had not been ordered by the Court as invalid.

### **53A Invalid rate of return instrument**

- (1) This clause applies if the Court orders (by declaration or otherwise) that a rate of return instrument is invalid.
- (2) The AER must make a new rate of return instrument under this Law to replace the invalid instrument.
- (3) Until the invalid instrument is replaced, the rate of return on capital and the value of imputation credits under the invalid instrument continue to apply for the purposes of this Law.
- (4) However, the AER must deal with any affected access arrangement decision to apply the new rate of return instrument to the decision as if the new instrument had applied from the start of the decision.
- (5) Subclause (4) applies despite section 30Q(1).
- (6) In this clause—

***affected access arrangement decision*** means an access arrangement decision to which the invalid instrument applied or continued to apply;

***deal with***, an affected access arrangement decision, means to do either of the following the AER considers appropriate in the circumstances—

- (a) revoke the decision and substitute a new decision;
- (b) vary the decision.

## Schedule 3 Savings and transitionals

(section 336)

### Part 1 General

#### 1 Definitions

In this Schedule—

*binding no-coverage determination* has the same meaning as in section 13A of the old access law;

*commencement day* means the day on which section 20 of the new application Act comes into operation;

*current access arrangement* means an Access Arrangement as defined by section 10.8 of the Gas Code and in effect immediately before the commencement day;

*new application Act* means the *National Gas (South Australia) Act 2008* of South Australia;

*old scheme coverage application* means an application under section 1.3 of the Gas Code in respect of which a determination under section 1.13 of the Gas Code has not been made before the commencement day;

*old scheme coverage revocation application* means an application under section 1.25 of the Gas Code in respect of which an old scheme coverage revocation determination has not been made before the commencement day;

*old scheme coverage determination* means a determination of an old scheme relevant Minister under section 1.13 of the Gas Code—

- (a) that a pipeline is covered; and
- (b) that is in effect immediately before the commencement day;

***old scheme coverage revocation determination*** means a determination of an old scheme relevant Minister under section 1.34 of the Gas Code;

***old scheme covered pipeline*** means a covered pipeline within the meaning of section 10.8 of the Gas Code;

***old scheme limited access arrangement*** means a limited access arrangement (within the meaning of section 13A of the old access law)—

- (a) approved under section 13U of that law; and
- (b) in effect immediately before the commencement day;

***old scheme price regulation exemption*** means a price regulation exemption within the meaning of section 13A of the old access law;

***old scheme relevant Minister*** means a relevant Minister within the meaning of section 2 of the old access law;

***pending old scheme coverage determination*** means a determination of an old scheme relevant Minister under section 1.13 of the Gas Code that a pipeline is covered that—

- (a) has not taken effect before the commencement day; but
- (b) is intended to take effect on or after that day;

***pending old scheme no-coverage determination*** means a determination of an old scheme relevant Minister under section 1.13 of the Gas Code that a pipeline is not covered that—

- (a) has not taken effect before the commencement day; but
- (b) is intended to take effect on or after that day;

***pending old scheme coverage non-revocation determination*** means a determination of an old scheme relevant Minister under section 1.34 of the Gas Code that coverage of a covered pipeline not be revoked that—

- (a) has not taken effect before the commencement day; but
- (b) is intended to take effect on or after that day;

***pending old scheme coverage revocation determination*** means a determination of an old scheme relevant Minister under section 1.34 of the Gas Code that coverage of a covered pipeline be revoked that—

- (a) has not taken effect before the commencement day; but
- (b) is intended to take effect on or after that day;

***relevant appeals body*** has the same meaning as in section 2 of the old access law;

***transitioned access arrangement*** means—

- (a) a current access arrangement; or
- (b) an access arrangement approved, or drafted and approved, in accordance with clause 28; or
- (c) a current access arrangement incorporating revisions approved, or approved and made, in accordance with clause 29.

*Note—*

The Regulations or the Rules may also contain provisions of an application, savings or transitional nature.

## **1A Words in particular provisions have meanings given by former section 2**

- (1) Words defined under former section 2 and used in Parts 2 to 18 of this Schedule have, unless the context otherwise requires, the same meanings as they had under former section 2.
- (2) In this section—

***former section 2*** means section 2 of the Law as in force immediately before the commencement of Part 19.

## **2 Schedule subject to jurisdictional transitional arrangements in jurisdictional legislation**

- (1) This Schedule, and any Regulations or Rules of a savings and transitional nature, apply in this jurisdiction except to the extent provided by or under an Act of this jurisdiction



(including an Act that applies this Law and the Regulations as a law of this jurisdiction).

(2) In this clause—

*Regulations or Rules of a savings and transitional nature* means Regulations or Rules that deal with matters of a savings or transitional nature relating to the transition from the application of provisions of the old access law and Gas Code to the application of provisions of this Law and the Rules.

## Part 2 General savings provision

### 3 Saving of operation of old access law and Gas Code

- (1) Subject to this Schedule, the Regulations and the Rules, the repeal of the old access law or Gas Code does not—
- (a) revive anything not in force or existing at the time the repeal takes effect; or
  - (b) affect the previous operation of the old access law or Gas Code or anything suffered, done or begun under or in accordance with the old access law or Gas Code; or
  - (c) affect a right, privilege or liability acquired, accrued or incurred under the old access law or Gas Code; or
  - (d) affect a penalty incurred in relation to—
    - (i) an offence arising under the old access law; or
    - (ii) a penalty incurred in relation to a breach of a provision of the old access law or Gas Code; or
  - (e) affect an investigation, proceeding or remedy in relation to such a right, privilege, liability or penalty.
- (2) Subject to this Schedule, the Regulations and the Rules, any such penalty may be imposed and enforced, and any such investigation, proceeding or remedy may be begun, continued or enforced, as if the old access law or Gas Code had not been repealed.

## **Part 3**                                      **Classification and coverage of pipelines**

### **4**            **Pending applications for the classification of pipelines lapse**

On the commencement day, every application under section 10 of the old access law in respect of which a decision has not been made under section 10 or 11 of that law immediately before that day, lapses.

### **5**            **Old scheme coverage determinations**

On the commencement day, an old scheme coverage determination is deemed to be a coverage determination.

### **6**            **Old scheme covered transmission pipelines**

On the commencement day, an old scheme covered pipeline that is a transmission pipeline (within the meaning of section 2 of the old access law) is deemed to be a covered pipeline that is a transmission pipeline.

### **7**            **Old scheme covered distribution pipelines**

On the commencement day, an old scheme covered pipeline that is a distribution pipeline (within the meaning of section 2 of the old access law) is deemed to be a covered pipeline that is a distribution pipeline.

### **8**            **Pending coverage applications under old scheme (before NCC recommendation)**

- (1) This clause applies if—
  - (a) there is an old scheme coverage application; and
  - (b) the NCC has not made a recommendation in respect of that application under section 1.9 of the Gas Code before the commencement day.

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- (2) On and after the commencement day, the NCC must, despite the repeal of the Gas Code, continue to take action in relation to the application as required under the Gas Code (including making a recommendation under section 1.7 of the Gas Code and submitting it to the relevant old scheme relevant Minister under that section) as if the old access law and Gas Code continued to apply.

## 9 Pending relevant Minister decisions in relation to coverage under old scheme

- (1) This clause applies if—
- (a) an old scheme relevant Minister has received a recommendation of the NCC under section 1.7 of the Gas Code before the commencement day but the old scheme relevant Minister has not made a determination under section 1.13 of the Gas Code in relation to that recommendation before that day; or
  - (b) an old scheme relevant Minister receives a recommendation of the NCC as provided for under clause 8 on or after the commencement day.
- (2) On and after the commencement day, the old scheme relevant Minister must, despite the repeal of the old access law and Gas Code, make a determination under section 1.13 of the Gas Code in relation to that recommendation as if the old access law and Gas Code continued to apply.
- (3) A determination made in accordance with subclause (2) is deemed to be, on the relevant transition date—
- (a) if the determination is that the pipeline is covered—a coverage determination;
  - (b) if the determination is that the pipeline is not covered—a decision not to make a coverage determination under section 99.
- (4) In this clause—

*relevant transition date* means, if an application is not made under section 38 of the old access law for a review of the determination within the time specified by that section—the

day after the last day an application could have been made under that section.

**10 Pending relevant Minister decisions in relation to coverage that are reviewed under old scheme**

- (1) This clause applies if—
  - (a) an old scheme relevant Minister makes a determination under section 1.13 of the Gas Code in accordance with clause 9; and
  - (b) an application is made under section 38 of the old access law for a review of the determination of the old scheme relevant Minister.
- (2) If on the review the relevant appeals body refuses to review the determination in accordance with section 38(11) of the old access law, the determination of the old scheme relevant Minister is deemed to be, on the day the determination of the relevant appeals body takes effect—
  - (a) if the determination is that the pipeline is covered—a coverage determination;
  - (b) if the determination is that the pipeline is not covered—a decision not to make a coverage determination under section 99.
- (3) If on the review the relevant appeals body makes a determination under section 38 of the old access law affirming or varying the determination of the old scheme relevant Minister, that determination (as affirmed or varied) is deemed to be, on the day the order of the relevant appeals body affirming or varying that determination takes effect—
  - (a) if the effect of that determination is that the pipeline is covered—a coverage determination;
  - (b) if the effect of that determination is that the pipeline is not covered—a decision not to make a coverage determination under section 99.
- (4) If on the review the relevant appeals body makes a determination under section 38 of the old access law that sets

aside the determination of the old scheme relevant Minister and remits the matter to the old scheme relevant Minister for the Minister to make a determination again in respect of the matter, the Minister must make a determination under clause 9.

- (5) If on the review the relevant appeals body makes a determination under section 38 of the old access law that sets aside the determination of the old scheme relevant Minister and that is to operate in place of the determination of the old scheme relevant Minister, the determination of the relevant appeals body is deemed to be, on the day that determination takes effect—
  - (a) if that determination is that the pipeline is covered—a coverage determination;
  - (b) if that determination is that the pipeline is not covered—a decision not to make a coverage determination under section 99.

## **11 Pending old scheme coverage determinations where no applications for review under old scheme**

- (1) This clause applies if—
  - (a) there is a pending old scheme coverage determination; and
  - (b) an application has not been made under section 38 of the old access law for a review of the determination within the time provided for under that section (whether or not that time expires on or after the commencement day).
- (2) The pending old scheme coverage determination is deemed to be a coverage determination on the day after the last day an application could have been made under section 38 of the old access law.

## **12 Pending old scheme coverage determinations where applications for review under old scheme on foot**

- (1) This clause applies if—

- (a) there is a pending old scheme coverage determination; and
  - (b) an application has been made under section 38 of the old access law for a review of the determination before the commencement day.
- (2) If on the review the relevant appeals body refuses to review the determination in accordance with section 38(11) of the old access law, the pending old scheme coverage determination is deemed to be a coverage determination on the day on which the determination of the relevant appeals body takes effect.
- (3) If on the review the relevant appeals body makes a determination affirming or varying the pending old scheme coverage determination, that determination (as affirmed or varied) is deemed to be a coverage determination on the day on which the order of the relevant appeals body affirming or varying that determination takes effect.
- (4) If on the review the relevant appeals body makes a determination that sets aside the pending old scheme coverage determination and remits the matter to the old scheme relevant Minister for the Minister to make a determination again in respect of the matter, the old scheme relevant Minister must make a determination under section 1.13 of the Gas Code as if the Gas Code continued to apply.
- (5) If on the review the relevant appeals body makes a determination that sets aside the pending old scheme coverage determination and that is to operate in place of the pending old scheme coverage determination, the determination of the relevant appeals body is deemed to be, on the day that determination takes effect—
  - (a) if that determination is that the pipeline is covered—a coverage determination;
  - (b) if that determination is that the pipeline is not covered—a decision not to make a coverage determination under section 99.

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**13 Pending old scheme no-coverage determinations where no applications for review under old scheme**

- (1) This clause applies if—
  - (a) there is a pending old scheme no-coverage determination; and
  - (b) an application has not been made under section 38 of the old access law for a review of the determination within the time provided for under that section (whether or not that time expires on or after the commencement day).
- (2) The pending old scheme no-coverage determination is deemed to be a decision not to make a coverage determination under section 93 on the day after the last day an application could have been made under section 38 of the old access law.

**14 Pending old scheme no-coverage determinations where applications for review under old scheme on foot**

- (1) This clause applies if—
  - (a) there is a pending old scheme no-coverage determination; and
  - (b) an application has been made under section 38 of the old access law for a review of the determination before the commencement day.
- (2) If on the review the relevant appeals body refuses to review the determination in accordance with section 38(11) of the old access law, the pending old scheme no-coverage determination is deemed to be a decision not to make a coverage determination under section 99 on the day on which the determination of the relevant appeals body takes effect.
- (3) If on the review the relevant appeals body makes a determination affirming or varying the pending old scheme no-coverage determination, that determination (as affirmed or varied) is deemed to be a decision not to make a coverage determination under section 99 on the day on which the order of the relevant appeals body affirming or varying that determination takes effect.

- (4) If on the review the relevant appeals body makes a determination that sets aside the pending old scheme no-coverage determination and remits the matter to the old scheme relevant Minister for the Minister to make a determination again in respect of the matter, the old scheme relevant Minister must make a determination under section 1.13 of the Gas Code as if the Gas Code continued to apply.
- (5) If on the review the relevant appeals body makes a determination that sets aside the pending old scheme coverage determination and that is to operate in place of the pending old scheme coverage determination, the determination of the relevant appeals body is deemed to be, on the day that determination takes effect—
  - (a) if that determination is that the pipeline is covered—a coverage determination;
  - (b) if that determination is that the pipeline is not covered—a decision not to make a coverage determination under section 99.

## **15 Pending coverage revocation applications under old scheme (before NCC recommendation)**

- (1) This clause applies if—
  - (a) there is an old scheme coverage revocation application; and
  - (b) the NCC has not made a recommendation in respect of that application under section 1.28 of the Gas Code before the commencement day.
- (2) On and after the commencement day, the NCC must, despite the repeal of the Gas Code, continue to take action in relation to the application as required under the Gas Code (including making a recommendation under section 1.29 of the Gas Code and submitting it to the relevant old scheme relevant Minister under that section) as if the old access law and Gas Code continued to apply.



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**16 Pending relevant Minister decisions in relation to coverage revocation under old scheme**

- (1) This clause applies if—
  - (a) an old scheme relevant Minister has received a recommendation of the NCC under section 1.29 of the Gas Code before the commencement day but the old scheme relevant Minister has not made a determination under section 1.34 of the Gas Code in relation to that recommendation before that day; or
  - (b) an old scheme relevant Minister receives a recommendation of the NCC as provided for under clause 15 after the commencement day.
- (2) On and after the commencement day, the old scheme relevant Minister must, despite the repeal of the old access law or Gas Code, make a determination under section 1.34 of the Gas Code in relation to that recommendation as if the old access law and Gas Code continued to apply.
- (3) A determination made in accordance with subclause (2) is deemed to be, on the relevant transition date—
  - (a) if the determination is that coverage of the covered pipeline is revoked—a coverage revocation determination;
  - (b) if the determination is that coverage of the covered pipeline is not revoked—a decision not to make a coverage revocation determination under section 106.
- (4) In this clause—

*relevant transition date* means, if an application is not made under section 38 of the old access law for a review of the determination within the time specified by that section—the day after the last day an application could have been made under that section.

**17 Pending relevant Minister decisions in relation to coverage revocation that are reviewed under old scheme**

- (1) This clause applies if—

- (a) an old scheme relevant Minister makes a determination under section 1.34 of the Gas Code in accordance with clause 16; and
  - (b) an application is made under section 38 of the old access law for a review of the determination of the old scheme relevant Minister.
- (2) If on the review the relevant appeals body refuses to review the determination in accordance with section 38(11) of the old access law, the determination of the old scheme relevant Minister is deemed to be, on the day the determination of the relevant appeals body takes effect—
  - (a) if the determination is that coverage of the covered pipeline is revoked—a coverage revocation determination;
  - (b) if the determination is that coverage of the covered pipeline is not revoked—a decision not to make a coverage revocation determination under section 106.
- (3) If on the review the relevant appeals body makes a determination under section 38 of the old access law affirming or varying the determination of the old scheme relevant Minister, that determination (as affirmed or varied) is deemed to be, on the day the order of the relevant appeals body affirming or varying that determination takes effect—
  - (a) if the effect of that determination is that coverage of the covered pipeline is revoked—a coverage revocation determination;
  - (b) if the effect of that determination is that coverage of the covered pipeline is not revoked—a decision not to make a coverage revocation determination under section 106.
- (4) If on the review the relevant appeals body makes a determination under section 38 of the old access law that sets aside the determination of the old scheme relevant Minister and remits the matter to the old scheme relevant Minister for the Minister to make a determination again in respect of the matter, the Minister must make a determination under clause 16.

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- (5) If on the review the relevant appeals body makes a determination under section 38 of the old access law that sets aside the determination of the old scheme relevant Minister and that is to operate in place of the determination of the old scheme relevant Minister, the determination of the relevant appeals body is deemed to be, on the day that determination takes effect—
- (a) if that determination is that coverage of the covered pipeline is revoked—a coverage revocation determination;
  - (b) if that determination is that coverage of the covered pipeline is not revoked—a decision not to make a coverage revocation determination under section 106.

**18 Pending old scheme coverage revocation determinations where no applications for review under old scheme**

- (1) This clause applies if—
- (a) there is a pending old scheme coverage revocation determination; and
  - (b) an application has not been made under section 38 of the old access law for a review of the determination within the time provided for under that section (whether or not that time expires on or after the commencement day).
- (2) The pending old scheme coverage revocation determination is deemed to be coverage revocation determination on the day after the last day an application could have been made under section 38 of the old access law.

**19 Pending old scheme coverage revocation determinations where applications for review under old scheme on foot**

- (1) This clause applies if—
- (a) there is a pending old scheme coverage revocation determination; and

- (b) an application has been made under section 38 of the old access law for a review of the determination before the commencement day.
- (2) If on the review the relevant appeals body refuses to review the determination in accordance with section 38(11) of the old access law, the pending old scheme coverage revocation determination is deemed to be a coverage revocation determination on the day on which the determination of the relevant appeals body takes effect.
- (3) If on the review the relevant appeals body makes a determination affirming or varying the pending old scheme coverage revocation determination, that determination (as affirmed or varied) is deemed to be a coverage revocation determination on the day on which the order of the relevant appeals body affirming or varying that determination takes effect.
- (4) If on the review the relevant appeals body makes a determination that sets aside the pending old scheme coverage revocation determination and remits the matter to the old scheme relevant Minister for the Minister to make a determination again in respect of the matter, the old scheme relevant Minister must make a determination under section 1.34 of the Gas Code as if the Gas Code continued to apply.
- (5) If on the review the relevant appeals body makes a determination that sets aside the pending old scheme revocation coverage determination and that is to operate in place of the pending old scheme revocation coverage determination, the determination of the relevant appeals body is deemed to be, on the day that determination takes effect—
  - (a) if that determination is that coverage of the covered pipeline is revoked—a coverage revocation determination;
  - (b) if that determination is that coverage of the covered pipeline is not revoked—a decision not to make a coverage revocation determination under section 106.

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**20 Pending old scheme coverage non-revocation determinations where no applications for review under old scheme**

- (1) This clause applies if—
  - (a) there is a pending old scheme coverage non-revocation determination; and
  - (b) an application has not been made under section 38 of the old access law for a review of the determination within the time provided for under that section (whether or not that time expires on or after the commencement day).
- (2) The pending old scheme coverage non-revocation determination is deemed to be a decision not to make a coverage revocation determination under section 106 on the day after the last day an application could have been made under section 38 of the old access law.

**21 Pending old scheme coverage non-revocation determinations where applications for review under old scheme on foot**

- (1) This clause applies if—
  - (a) there is a pending old scheme coverage non-revocation determination; and
  - (b) an application has been made under section 38 of the old access law for a review of the determination before the commencement day.
- (2) If on the review the relevant appeals body refuses to review the determination in accordance with section 38(11) of the old access law, the pending old scheme coverage non-revocation determination is deemed to be a decision not to make a coverage revocation determination under section 106 on the day on which the determination of the relevant appeals body takes effect.
- (3) If on the review the relevant appeals body makes a determination affirming or varying the pending old scheme coverage non-revocation determination, that determination (as affirmed or varied) is deemed to be a decision not to make a

coverage revocation determination under section 106 on the day on which the order of the relevant appeals body affirming or varying that determination takes effect.

- (4) If on the review the relevant appeals body makes a determination that sets aside the pending old scheme coverage non-revocation determination and remits the matter to the old scheme relevant Minister for the Minister to make a determination again in respect of the matter, the old scheme relevant Minister must make a determination under section 1.34 of the Gas Code as if the Gas Code continued to apply.
- (5) If on the review the relevant appeals body makes a determination that sets aside the pending old scheme coverage non-revocation determination and that is to operate in place of the pending old scheme coverage non-revocation determination, the determination of the relevant appeals body is deemed to be, on the day that determination takes effect—
  - (a) if that determination is that coverage of the covered pipeline is revoked—a coverage revocation determination;
  - (b) if that determination is that coverage of the covered pipeline is not revoked—a decision not to make a coverage revocation determination under section 106.

## **22 Binding no-coverage determinations**

On the commencement day, a binding no-coverage determination in effect immediately before that day is deemed to be a 15-year no-coverage determination.

## **23 Pending applications for binding no-coverage determinations (before NCC recommendation)**

- (1) This clause applies if—
  - (a) an application under section 13D of the old access law for a binding no-coverage determination has been made before the commencement day; and

- (b) NCC has not made a recommendation under section 13J of the old access law in relation to that application before that day.
- (2) On and after the commencement day, the NCC must, despite the repeal of the old access law, continue to take action in relation to the application as required under the old access law (including making a recommendation under section 13J of the old access law and submitting it to the relevant old scheme relevant Minister under that section) as if the old access law continued to apply.

## **24 Pending relevant Minister decisions for binding no-coverage determinations under old scheme**

- (1) This clause applies if—
  - (a) an old scheme relevant Minister has received a recommendation of the NCC under section 13J of the old access law before the commencement day but the old scheme relevant Minister has not made a determination under section 13J of the old access law in relation to that recommendation before that day; or
  - (b) an old scheme relevant Minister receives a recommendation of the NCC as provided for under clause 23 on or after the commencement day.
- (2) On and after the commencement day, the old scheme relevant Minister must, despite the repeal of the old access law, make a decision under section 13K of the old access law in relation to that recommendation as if the old access law continued to apply.
- (3) A decision made in accordance with subclause (2) is deemed to be, on the relevant transition date—
  - (a) if the decision is a binding no-coverage determination—a 15-year no-coverage determination;
  - (b) if the decision is not to make binding no-coverage determination—a decision not to make a 15-year no-coverage determination under section 162.
- (4) In this clause—

*relevant transition date* means, if an application is not made under section 38 of the old access law for a review of the decision within the time specified by that section—the day after the last day an application could have been made under that section.

**25 Pending relevant Minister decisions in relation to binding no-coverage determinations that are reviewed under old scheme**

- (1) This clause applies if—
  - (a) an old scheme relevant Minister makes a decision under section 13J of the old access law in accordance with clause 24; and
  - (b) an application is made under section 38 of the old access law for a review of the decision of the old scheme relevant Minister.
- (2) If on the review the relevant appeals body refuses to review the determination in accordance with section 38(11) of the old access law, the decision of the old scheme relevant Minister is deemed to be, on the day the decision of the relevant appeals body takes effect—
  - (a) if the decision is a binding no-coverage determination—a 15-year no-coverage determination;
  - (b) if the decision is not to make a binding no-coverage determination—a decision not to make a 15-year no-coverage determination under section 162.
- (3) If on the review the relevant appeals body makes a determination under section 38 of the old access law affirming or varying the decision of the old scheme relevant Minister, that decision (as affirmed or varied) is deemed to be, on the day the order of the relevant appeals body affirming or varying that decision takes effect—
  - (a) if the decision is a binding no-coverage determination—a 15-year no-coverage determination;



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- (b) if the decision is not to make a binding no-coverage determination—a decision not to make a 15-year no-coverage determination under section 162.
- (4) If on the review the relevant appeals body makes a determination under section 38 of the old access law that sets aside the decision of the old scheme relevant Minister and remits the matter to the old scheme relevant Minister for the Minister to make a decision again in respect of the matter, the Minister must make a decision under clause 24.
  - (5) If on the review the relevant appeals body makes a determination under section 38 of the old access law that sets aside the decision of the old scheme relevant Minister and that is to operate in place of the decision of the old scheme relevant Minister, the determination of the relevant appeals body is deemed to be, on the day that determination takes effect—
    - (a) if the determination is a binding no-coverage determination—a 15-year no-coverage determination;
    - (b) if the determination is not to make binding no-coverage determination—a decision not to make a 15-year no-coverage determination under section 162.

## **Part 4 Access arrangements**

### **26 Current access arrangements (other than old scheme limited access arrangements)**

Subject to this Part, on the commencement day—

- (a) a current access arrangement approved in—
  - (i) a final decision under section 2.16 or 2.38 of the Gas Code; or
  - (ii) a further final decision under section 2.19 or 2.41 of the Gas Code,

is deemed to be a full access arrangement approved by the AER under a full access arrangement decision;

- (b) a current access arrangement drafted and approved by a relevant Regulator under section 2.20 or 2.42 of the Gas Code is deemed to be a full access arrangement made by the AER under a full access arrangement decision.

## **27 Old scheme limited access arrangements**

On the commencement day, an old scheme limited access arrangement is deemed to be a limited access arrangement approved by the AER under the Rules.

## **28 Access arrangements submitted but not approved or rejected before repeal of old scheme**

- (1) This clause applies if—
  - (a) a proposed access arrangement has been submitted under section 2.2 of the Gas Code to a relevant Regulator before the commencement day for approval; and
  - (b) the relevant Regulator has not, that day—
    - (i) approved that access arrangement in a final decision under section 2.16, or a further final decision under section 2.19 of the Gas Code; or
    - (ii) drafted and approved its own access arrangement under section 2.20 of the Gas Code.
- (2) On and after the commencement day, the relevant Regulator must, despite the repeal of the Gas Code, deal with the proposed access arrangement as if the Gas Code continued to apply.
- (3) An access arrangement approved, or drafted and approved, in accordance with subclause (2) is deemed to be, on the day the relevant decision takes effect—
  - (a) in the case of an access arrangement approved in a final decision under section 2.16, or a further final decision under section 2.19, of the Gas Code—a full access arrangement approved by the AER under a full access arrangement decision;

- (b) in the case of an access arrangement drafted and approved by the relevant Regulator under section 2.20 of the Gas Code—a full access arrangement made by the AER under a full access arrangement decision.
- (4) Despite anything to the contrary in this Law and the repeal of the old access law, section 39 of the old access law continues to apply to a full access arrangement decision referred to in this section as if a reference in that section to a decision of the relevant Regulator under the Gas Code were a reference to a full access arrangement decision of the AER.

**29 Access arrangement revisions submitted but not approved or rejected before repeal of old scheme**

- (1) This clause applies if—
  - (a) proposed revisions to a current access arrangement have been submitted under section 2.28 of the Gas Code to a relevant Regulator before the commencement day for approval; and
  - (b) the relevant Regulator has not, before that day—
    - (i) approved those revisions in a final decision under section 2.38, or a further final decision under section 2.41, of the Gas Code; or
    - (ii) drafted and approved its own revisions under section 2.42 of the Gas Code.
- (2) On and after the commencement day, the relevant Regulator must, despite the repeal of the Gas Code, deal with the proposed revisions as if the Gas Code continued to apply.
- (3) An access arrangement in respect of which revisions are approved, or drafted and approved, in accordance with subclause (2) is deemed to be, on the day the relevant decision takes effect—
  - (a) in the case of an access arrangement in respect of which revisions are approved in a final decision under section 2.38, or a further final decision under section 2.41, of the Gas Code—a full access

arrangement as revised by the AER under a full access arrangement decision;

- (b) in the case of an access arrangement in respect of which revisions are drafted and approved by the relevant Regulator under section 2.42 of the Gas Code—a full access arrangement (as revised) made by the AER under a full access arrangement decision.
- (4) Despite anything to the contrary in this Law and the repeal of the old access law, section 39 of the old access law continues to apply to a full access arrangement decision referred to in this section as if a reference in that section to a decision of the relevant Regulator under the Gas Code were a reference to a full access arrangement decision of the AER.

### **30 Certain provisions of the Gas Code to continue to apply to current and proposed access arrangements**

- (1) Despite the repeal of the Gas Code and subject to this clause and any current access arrangement modification Rules, sections 3, 8 and 10.8 of the Gas Code continue to apply to a transitioned access arrangement until revisions to that access arrangement first approved or made in accordance with this Law and the Rules after the commencement day take effect.
- (2) To avoid doubt, after the commencement day, a covered pipeline service provider must, despite anything to the contrary in a transitioned access arrangement, submit an access arrangement revision proposal in relation to that access arrangement in accordance with section 132 and the Rules.
- (3) Sections 3, 8 and 10.8 of the Gas Code, as applied under this clause, do not have effect to the extent that they provide for or deal with the procedure for the approval of revisions to access arrangements.
- (4) For the purposes of this clause—
  - (a) the AER is deemed to have the functions and powers a relevant Regulator has under sections 3, 8 and 10.8 of the Gas Code as applied under this clause; and

(b) every reference to a relevant Regulator in those sections as applied under this clause is deemed to be a reference to the AER.

(5) In this clause—

*access arrangement revision proposal* has the same meaning as in the Rules;

*current access arrangement modification Rules* means Rules made for or with respect to item 81 of Schedule 1 to this Law that are in force.

### 31 **Certain decisions relating to certain access arrangements are reviewable regulatory decisions for purposes of Chapter 8 Part 5 of the Law**

(1) Despite anything to the contrary in this Law, the definition of *reviewable regulatory decision* in section 244 is deemed, during the relevant transition period, to include decisions of the AER—

(a) that disallow a variation proposed by a service provider of a Reference Tariff contained in a transitioned access arrangement; or

(b) to make the AER's own variation of a Reference Tariff in respect of a transitioned access arrangement—

(i) on disallowing a variation proposed by a service provider; or

(ii) because a service provider fails to submit such a variation as required.

(2) In this clause—

*new scheme revisions commencement date* means the date revisions approved or made to a transitioned access arrangement under this Law and the Rules take effect following the first review of that access arrangement under this Law and the Rules after the commencement day;

*Reference Tariff* has the same meaning as in the Gas Code immediately before its repeal;

*relevant transition period* means the period—

- (a) commencing on the commencement day; and
- (b) ending on the day after the day that is 15 business days after the first new scheme revisions commencement date.

*Note—*

See also clause 30.

## **32 Limited access arrangements submitted but not approved before repeal of old scheme**

- (1) This clause applies if a proposed limited access arrangement or a proposed amendment to a limited access arrangement—
  - (a) has been submitted under section 13U(1) of the old access law to the ACCC before the commencement day for approval; and
  - (b) the ACCC has not approved that limited access arrangement or that amendment before that day.
- (2) On and after the commencement day, the ACCC must, despite the repeal of the old access law, deal with the proposed access arrangement under section 13U as if the old access law continued to apply.
- (3) A proposed limited access arrangement, or a proposed amendment to a limited access arrangement, approved by the ACCC in accordance with subclause (2) is deemed to be, on the day the decision takes effect—
  - (a) in the case of a decision approving the proposed limited access arrangement—a limited access arrangement approved by the AER under a limited access arrangement decision;
  - (b) in the case of a decision approving a proposed amendment to a limited access arrangement—a variation to a limited access arrangement approved by the AER under the Rules.

**33 Extensions and expansions policies**

On the commencement day, an Extensions/Expansions Policy (as defined in section 3.16 of the Gas Code), and in effect immediately before that day, is deemed to be extension and expansion requirements.

**34 Queuing policies**

On the commencement day, a Queuing Policy (as defined in section 3.12 of the Gas Code), and in effect immediately before that day, is deemed to be queuing requirements.

**Part 5 Price regulation exemptions****35 Old scheme price regulation exemptions**

On the commencement day, an old scheme price regulation exemption in effect immediately before that day is deemed to be a price regulation exemption.

**36 Pending applications for price regulation exemptions**

- (1) This clause applies if—
  - (a) an application under section 13N of the old access law for an old scheme price regulation exemption has been made before the commencement day; and
  - (b) NCC has not made a recommendation under section 13R of the old access law in relation to that application before that day.
- (2) On and after the commencement day, the NCC must, despite the repeal of the old access law, continue to take action in relation to the application as required under the old access law (including making a recommendation under section 13R of the old access law and submitting it to the Commonwealth Minister under that section) as if the old access law continued to apply.

### **37 Pending Commonwealth Minister decisions for price regulation exemptions**

- (1) This clause applies if—
  - (a) the Commonwealth Minister has received a recommendation of the NCC under section 13R of the old access law before the commencement day but the Commonwealth Minister has not made a decision under section 13S of the old access law in relation to that recommendation before that day; or
  - (b) the Commonwealth Minister receives a recommendation of the NCC as provided for under clause 36 after the commencement day.
- (2) On and after the commencement day, the Commonwealth Minister must, despite the repeal of the old access law, make a decision under section 13S of the old access law in relation to that recommendation as if the old access law continued to apply.
- (3) If the Commonwealth Minister makes an old scheme price regulation exemption under section 13S of the old access law in accordance with subclause (2), that exemption is deemed to be a price regulation exemption on the day it is made.

## **Part 6 Structural and operational separation (ring fencing)**

### **38 Definitions**

In this Part—

*old scheme ring fencing requirement*, in relation to a service provider, means—

- (a) section 4.1(b) to (d), (h) or (i) of the Gas Code as those sections apply to the service provider subject to—
  - (i) any notice given to the service provider under section 4.15(a) of the Gas Code waiving that service provider's compliance with an obligation



under section 4.1(b) of the Gas Code that is in effect immediately before the commencement day; and

- (ii) any notice given to the service provider under section 4.15(b) of the Gas Code waiving that service provider's compliance with an obligation under section 4.1(h) and (i) of the Gas Code that is in effect immediately before the commencement day; or
- (b) any obligation applying to the service provider under a notice given to that service provider under section 4.3 of the Gas Code that is in effect immediately before the commencement day;

*relevant transition period* means the period beginning on the commencement day and ending on the day that is 6 months after the commencement day.

### **39 Compliance with certain old scheme ring fencing requirements sufficient compliance for 6 month period**

- (1) Despite anything to the contrary in this Law, a service provider who during the relevant transition period complies with an old scheme ring fencing requirement must be taken to comply with Division 2 and Division 3 of Chapter 4 Part 2 of the Law during that period.
- (2) In addition to subclause (1) but subject to subclauses (3) and (4), a service provider must continue to comply with an old scheme ring fencing requirement as if the Gas Code continued to apply.
- (3) A service provider may depart from complying with an old scheme ring fencing requirement before the end of the relevant transition period solely for the purpose of preparing to comply with Division 2 or Division 3 of Chapter 4 Part 2 of this Law at the end of that period.
- (4) If a service provider does depart from complying with an old scheme ring fencing requirement in accordance with subclause (3) the service provider must in respect of that

departure comply with Division 2 and Division 3 of Chapter 4 Part 2 of this Law (as the case requires).

#### **40 Existing waivers of ring fencing obligations**

- (1) After the relevant transition period, a notice given to a service provider under section 4.15(a) of the Gas Code waiving that service provider's compliance with an obligation under section 4.1(b) of the Gas Code, and in effect immediately before the commencement day, is deemed to be an exemption of the AER under section 146 from the requirement to comply with section 139 given to that service provider.
- (2) After the relevant transition period, a notice given to a service provider under section 4.15(b) of the Gas Code waiving that service provider's compliance with an obligation under section 4.1(h) and (i) of the Gas Code, and in effect immediately before the commencement day, is deemed to be an exemption of the AER under section 146 from the requirement to comply with section 140 given to that service provider.
- (3) Subclauses (1) and (2) do not apply to the extent to which a notice referred to in those subclauses is inconsistent with this Law or the Rules.

#### **41 Additional ring fencing obligations**

- (1) After the relevant transition period, a notice given to a service provider under section 4.3 of the Gas Code and in effect immediately before the commencement day is deemed to be an additional ring fencing requirement (as defined in section 137).
- (2) Subclause (1) does not apply to the extent to which a notice referred to in that subclause is inconsistent with this Law or the Rules.

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## Part 7 Access disputes

### 42 Non-finalised access disputes

- (1) A non-finalised access dispute must continue to be dealt with in accordance with the old access law and Gas Code despite the repeal of the old access law and Gas Code.
- (2) However, despite anything to the contrary in the old access law and Gas Code, a non-finalised access dispute is to be dealt with by the dispute resolution body and for that purpose—
  - (a) every reference to an arbitrator in Part 4 of the old access law and in the Gas Code is to be read as a reference to the dispute resolution body; and
  - (b) anything done in relation to a non-finalised access dispute by an arbitrator before the commencement day is deemed to have been done by the dispute resolution body; and
  - (c) the dispute resolution body may, in relation to a particular non-finalised access dispute, have regard to any record of the arbitrator conducting the arbitration of that non-finalised access dispute; and
  - (d) the arbitrator must stop conducting the arbitration and give the dispute resolution body all documents the arbitrator has created for the purposes of, or received in, the arbitration.
- (3) In this clause—

*non-finalised access dispute* means an access dispute within the meaning of section 14 of the old access law that has arisen and not been finally determined under Part 4 of the old access law and Gas Code before the commencement day.

## Part 8 Investigations and proceedings

### 43 Investigations into breaches and possible breaches of the old access law or Gas Code

- (1) On and after the commencement day, a relevant Regulator investigation may be conducted and completed by the AER in accordance with this Law, the Regulations and the Rules as if that investigation were commenced by the AER under this Law, the Regulations and the Rules.
- (2) In this clause—

*relevant Regulator investigation* means an investigation into a breach or possible breach of the old access law or Gas Code that—

  - (a) has been commenced by a relevant Regulator before the commencement day; and
  - (b) has not been completed by the relevant Regulator before the commencement day.

### 44 AER may conduct investigations into breaches or possible breaches of Gas Pipelines Access Law not investigated by a relevant Regulator

- (1) Despite anything to the contrary in this Schedule, the AER may, on and after the commencement day, conduct an investigation into a breach or possible breach of the old access law or the Gas Code.
- (2) The AER may conduct an investigation referred to in subclause (1) as if it were an investigation into a breach of this Law, and for that purpose, may exercise all of the powers it has under this Law relating to investigations into breaches or possible breaches under this Law.

### 45 AER may bring proceedings in relation to breaches of old access law and Gas Code

- (1) In this clause—

***AER breach investigation*** means an investigation conducted and completed by the AER in accordance with clause 43 or 44.

- (2) On and after the commencement day, the AER may bring proceedings in the Court in respect of an AER breach investigation.
- (3) Despite anything to the contrary in clause 2 or the repeal of the old access law and Gas Code, Part 5 of the old access law applies to a proceeding under this clause as if—
  - (a) a reference in that Part to a relevant Regulator or the ACCC were a reference to the AER; and
  - (b) regulation 5 of, and Schedule 2 to, the *Gas Pipelines Access (South Australia) Regulations 1999* were not revoked.

## Part 9 Associate contracts

### 46 Pending associate contract approvals that are approved after commencement day

- (1) This clause applies if on the commencement day—
  - (a) there is a proposed associate contract (within the meaning of section 10.8 of the Gas Code) with a relevant Regulator for approval; and
  - (b) the relevant Regulator has not made a decision approving or not approving the proposed associate contract.
- (2) The relevant Regulator must, despite the repeal of the old access law and the Gas Code, take action in relation to that proposed associate contract under section 7.1 to 7.6 of the Gas Code as if the old access law and Gas Code continued to apply.
- (3) If the relevant Regulator decides to approve the proposed associate contract under section 7.1 to 7.6 of the Gas Code, that associate contract is deemed to be an approved associate contract on, as the case requires—

- (a) the day the relevant Regulator approves the associate contract in accordance with those sections; or
- (b) the day the relevant Regulator is deemed to have approved the associate contract by operation of those sections.

**47 Pending associate contracts approvals that are not approved**

- (1) This clause applies if the relevant Regulator decides not to approve a proposed associate contract under clause 46.
- (2) If an application is not made under section 38 of the old access law for a review of the decision within the time specified by that section, the proposed associate contract is deemed not to be an approved associate contract on the day after the last day an application could have been made under that section.
- (3) If an application is made under section 38 of the old access law for a review of the decision but the relevant appeals body refuses to review the decision in accordance with section 38(11) of the old access law, the proposed associate contract is deemed not to be an approved associate contract on the day on which the determination of the relevant appeals body takes effect.
- (4) If—
  - (a) an application is made under section 38 of the old access law for a review of the decision; and
  - (b) the relevant appeals body, by determination, affirms the decision,the proposed associate contract is deemed not to be an approved associate contract on the day on which the determination of the relevant appeals body affirming the decision takes effect.
- (5) If—
  - (a) an application is made under section 38 of the old access law for a review of the decision; and

- (b) the relevant appeals body makes a determination that sets aside the decision and remits the matter to the relevant Regulator for the Regulator to make a decision again in respect of the matter,

the relevant Regulator must make a decision under clause 46.

(6) If—

- (a) an application is made under section 38 of the old access law for a review of the decision; and
- (b) the relevant appeals body makes a determination that sets aside the decision and approves the associate contract,

the proposed associate contract to which the determination relates is deemed to be, on the day the determination takes effect, an approved associate contract.

#### **48 Approved associate contracts**

- (1) On the commencement day, an associate contract (within the meaning of section 10.8 of the Gas Code)—
  - (a) in effect immediately before that day; and
  - (b) that has been approved by a relevant Regulator under section 7 of the Gas Code,is deemed to be an approved associate contract.
- (2) On the commencement day, an associate contract (within the meaning of section 10.8 of the Gas Code)—
  - (a) in effect immediately before that day; and
  - (b) that has been deemed to have been approved by operation of section 7 of the Gas Code,is deemed to be an approved associate contract.

## **Part 10**                      **Other**

### **49 Pending and final tender approval requests lapse**

- (1) On the commencement day, every Tender Approval Request (within meaning of section 10.8 of the Gas Code), in respect of which a decision has not been made under section 3.25 of the Gas Code immediately before that day, lapses.
- (2) On the commencement day, every Final Approval Request (within the meaning of section 3.29 of the Gas Code), in respect of which a decision has not been made under that section immediately before that day, lapses.

### **50 Decisions approving final approval requests**

- (1) This section applies if before, or on, the commencement day a relevant Regulator has made or makes a decision under section 3.32 of the Gas Code that approves a Final Approval Request (within the meaning of section 10.8 of the Gas Code).
- (2) On the commencement day—
  - (a) the decision of the relevant Regulator is deemed to be a tender approval decision that has become irrevocable by operation of the Rules; and
  - (b) the pipeline to which the decision relates is deemed to be a covered pipeline.

### **51 Rights under certain change of law provisions in agreements or deeds not to be triggered**

- (1) The repeal of the old access law and the Gas Code, and the commencement of this Law and the initial National Gas Rules, is not to be regarded as a change of law (however defined) under any agreement or deed in effect on the commencement day.
- (2) Subclause (1) applies despite any provision in any agreement or deed to the contrary.



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**52 References to relevant Regulator in access arrangements**

On the commencement day, unless the context otherwise requires, every reference to a relevant Regulator in a current access arrangement deemed under Part 4 of this Schedule to be a full access arrangement or a limited access arrangement is deemed to be a reference to the AER.

**53 Old scheme classifications and scheme participant determinations**

(1) On the commencement day, every old scheme classification and scheme participant determination applying to an old scheme covered pipeline is deemed to be an initial classification decision (within the meaning of section 98(1)).

(2) In this clause—

*old scheme classification and scheme participant determination* means—

- (a) a classification and determination under section 10(5)(a) of the old access law; or
- (b) a determination under section 10(5)(b) of the old access law; or
- (c) a classification and determination under section 11(3) of the old access law.

**Part 11 Transitional provisions related to AEMO's new functions and its assumption of role of former gas market operators****Division 1 Preliminary****54 Definitions**

In this Part—

**AEMO T** means Australian Energy Market Operator (Transitional) Ltd (ACN 132 770 104);

**asset** means tangible or intangible real or personal property of any description and includes—

- (a) a present, future or contingent legal or equitable interest in real or personal property;
- (b) a chose in action;
- (c) a right, power, privilege or immunity;
- (d) goodwill;
- (e) a security;
- (f) money;
- (g) documents;
- (h) information (including data and records) in any form;

**commencement date** means the date on which this Part comes into operation;

**current rules** means the provisions of this Law, the Rules and the Procedures;

**establishment expenditure** means expenditure incurred by the Commonwealth, AEMO T, AEMO and the former gas market operators in or in relation to the establishment of AEMO or the assumption of its statutory functions;

**former gas market operator** includes VENCORP but only in its former capacity as operator of the Natural Gas Services Bulletin Board;

**GMC** means Gas Market Company Limited (ACN 095 400 258);

**liability** means a monetary or non-monetary obligation and includes a future or contingent obligation;

**property** includes intellectual property;

**relevant legislative innovations** means—

- (a) the AEMO amendments to this Law; and
- (b) the AEMO amendments to the Rules;

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*rule change proposal* means a proposal for making, amending or revoking a rule.

## Division 2                    General provisions

### 55            Saving operation of superseded jurisdictional rules

- (1) Subject to this Schedule, the repeal of the superseded jurisdictional rules does not—
  - (a) revive anything not in force or existing at the time the repeal takes effect; or
  - (b) affect the previous operation of the superseded jurisdictional rules or anything suffered, done or begun under or in accordance with the superseded jurisdictional rules; or
  - (c) affect a right, privilege or liability acquired, accrued or incurred under the superseded jurisdictional rules; or
  - (d) affect a penalty incurred for an offence arising under the superseded jurisdictional rules; or
  - (e) affect an investigation, proceeding or remedy in relation to such a right, privilege, liability or penalty.
- (2) Subject to this Schedule, any such penalty may be imposed and enforced, and any such investigation, proceeding or remedy may be begun, continued or enforced, as if the superseded jurisdictional rules had continued in force.

### 56            Transitional provisions governing accrued and accruing rights, liabilities etc

- (1) A reference in a document (including a legislative instrument) to the superseded jurisdictional rules or a particular provision of the superseded jurisdictional rules is (where the context permits) taken to be a reference to the current rules or the corresponding provision of the current rules (as the case requires).

- (2) An action taken under, or for the purposes of, the superseded jurisdictional rules is taken to be an action taken under, or for the purposes of, the corresponding provisions of the current rules.
- (3) In particular—
  - (a) an administrative process commenced by the jurisdictional regulator or a former gas market operator before the relevant changeover date may be continued and completed by AEMO or the AER (as the case requires) under the current rules; and
  - (b) consultation commenced before the relevant changeover date under the superseded jurisdictional rules may be continued and completed under the corresponding provisions of the current rules; and
  - (c) a period that had, at the relevant changeover date, partially elapsed under the superseded jurisdictional rules is, from the relevant changeover date, taken to be part of the corresponding period (if any) under the current rules as if the current rules had been in force when the relevant period began to run.
- (4) A right or privilege that had accrued or was accruing under the superseded jurisdictional rules as at the relevant changeover date is taken to be an accrued or accruing right or privilege under the corresponding provisions of the current rules.
- (5) A liability, obligation or penalty incurred under the superseded jurisdictional rules before the relevant changeover date is, after the relevant changeover date, taken to be a liability, obligation or penalty incurred under the corresponding provisions of the current rules.
- (6) A jurisdictional regulator must not take or continue action that can be continued and completed by AEMO or the AER under this clause.

## **57 Investigations**

- (1) The AER may investigate a breach or possible breach of the superseded jurisdictional rules.

- (2) If an investigation of a breach or possible breach of the superseded jurisdictional rules had commenced but had not been completed before the relevant changeover date, the AER may continue and complete the investigation.
- (3) The AER must conduct or continue an investigation under this clause as if it were an investigation into a breach of this Law, and for that purpose, may exercise all the powers it has under this Law relating to investigations into breaches or possible breaches of this Law.

## **58 Proceedings for breach of superseded jurisdictional rules**

- (1) The AER may commence proceedings, or take any other action contemplated by the superseded jurisdictional rules, for a breach of the superseded jurisdictional rules occurring before the relevant changeover date.
- (2) The AER may continue and complete proceedings or other action for a breach of the superseded jurisdictional rules that had been commenced but not completed by the relevant changeover date.
- (3) The superseded jurisdictional rules govern the commencement, continuation, completion or determination of any such proceedings or action as if they had continued in force (subject to necessary adaptations and modifications) for the purposes of the proceedings or other action.

## **59 Dispute resolution**

- (1) A dispute arising from circumstances occurring before the relevant changeover date is, subject to subclause (2), to be dealt with as a rule dispute.
- (2) If—
  - (a) proceedings for the resolution of a dispute had commenced under the superseded jurisdictional rules before the relevant changeover date; and
  - (b) the dispute arises from circumstances occurring in Queensland or Victoria,

the proceedings are to be continued and completed in accordance with the superseded jurisdictional rules (subject however to adaptations and modifications necessary to allow for the participation in the dispute resolution process of the dispute resolution authorities envisaged by the current rules).

## **60 Registered participants**

- (1) A person to whom this clause applies becomes a Registered participant on the relevant changeover date.
- (2) This clause applies to—
  - (a) a person listed in the Regulations as a person to be automatically registered as a Registered participant; and
  - (b) a person of a class specified in the Regulations as a class of persons to be automatically registered as Registered participants.

## **61 Instruments made by former gas market operators**

- (1) A procedure, guideline, directive, approval, determination or other instrument of a legislative or administrative character—
  - (a) made by a former gas market operator under the superseded jurisdictional rules; and
  - (b) in force immediately before the relevant changeover date,  
  
continues in force, subject to amendment or revocation by AEMO, as if made by AEMO under the current rules.
- (2) However, this clause does not apply to an instrument of a kind that could not have been made under the current rules assuming they had been in force when the instrument was created.

## **62 Rule change proposals**

- (1) Subject to this clause, a rule change proposal under the superseded jurisdictional rules that was current at the relevant changeover date is to be dealt with as follows:

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- (a) if the proposal lies within the scope of the Rules—it is to be dealt with as a request for the making of a Rule;
    - (b) if the proposal lies within the scope of the Procedures—it is to be dealt with as a request for the making of a Procedure.
  - (2) The AEMC or AEMO (as the case requires) may dispense with a particular step in the process for making a Rule or a Procedure if it is of the opinion that the relevant step is unnecessary because no equivalent step existed under the superseded jurisdictional rules or the same or a similar step has already been taken under the superseded jurisdictional rules.
  - (3) On giving a dispensation under subclause (2), the AEMC or AEMO (as the case requires) must publish notice of its decision to do so on its website and in a newspaper circulating throughout Australia.

### **63 Incompatibility between request for the making of Rule or Procedure and Minister-initiated Rule or Procedure**

- (1) The AEMC or AEMO (as the case requires) may reject a request for making a Rule or Procedure if the request relates to a Rule that is to be revoked by a Minister-initiated Rule or Procedure that has been made but is yet to come into operation.
- (2) If an existing Rule is to be amended or substituted by a Minister-initiated Rule or Procedure that has been made but is yet to come into operation, the AEMC or AEMO (as the case requires) may treat a request for making a Rule or Procedure relating to the relevant existing Rule as if the request related to that Rule as amended or substituted.
- (3) If the AEMC or AEMO (as the case requires) decides to act under this clause, it must—
  - (a) inform the person that made the request of the decision; and
  - (b) give that person written reasons for the decision.
- (4) In this clause—

***Minister-initiated Rule or Procedure*** means a Rule or Procedure made under Chapter 9 Part 2;

***Rule*** includes (where the context admits) a superseded jurisdictional rule.

#### **64 Natural Gas Services Bulletin Board**

The website to be maintained by AEMO as the Natural Gas Services Bulletin Board is to be, in the first instance, the website maintained as the Natural Gas Services Bulletin Board immediately before the commencement date.

#### **65 Publication of notices etc**

A requirement that AEMO publish a notice or other document on its website is, for the first 12 months after the relevant changeover date, satisfied if the notice or other document is published on the website of a former gas market operator before the relevant changeover date.

#### **66 Rights under change of law provisions not to be triggered by amendments to this Law etc**

- (1) An amendment to this Law, or the making of a Rule or Procedure, is not to be regarded as a change of law under an agreement or deed in effect on the relevant changeover date.
- (2) Subclause (1) applies despite a provision in an agreement or deed to the contrary.

### **Division 3 Transfer of assets and liabilities of GMC and AEMO T**

#### **67 Transfer of assets and liabilities**

- (1) The NSW Minister may, by instrument in writing (an ***allocation order***), transfer any of GMC's assets and liabilities to AEMO.



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- (2) An allocation order takes effect from a date (which may be earlier than the date of the order) specified in the order.
  - (3) If it appears to the NSW Minister that assets or liabilities have been transferred in error to AEMO under this clause, the Minister may, by instrument in writing (a *claw back order*), re-transfer assets or liabilities transferred under this clause from AEMO to GMC.
  - (4) A claw back order—
    - (a) must be made within 12 months after the date of the allocation order; and
    - (b) takes effect from a date (which may be earlier than the date of the order) specified in the order.
  - (5) The NSW Minister must, at least 20 business days before making a claw back order, give AEMO written notice of its intention to make the order.
  - (6) The NSW Minister may make an allocation order, or a claw back order, in relation to assets or liabilities situated within any participating jurisdiction.
  - (7) An allocation order or a claw back order may be made on conditions specified in the order.

## **68 Transfer of AEMO T's assets and liabilities**

- (1) The South Australian Minister may, by Ministerial Gazette notice, transfer AEMO T's assets and liabilities to AEMO on a date fixed by the notice.
- (2) Subject to any exclusions specified in the notice, the notice will operate to transfer AEMO T's assets and liabilities in their entirety.

## **69 Effect of relevant transfer order**

- (1) On the relevant date, assets and liabilities vest in the transferee named in a transfer order in accordance with the order.

- (2) If a transfer order provides for the transfer of the transferor's interest in an agreement—
- (a) the transferee becomes on the relevant date a party to the agreement in place of the transferor; and
  - (b) on and after the relevant date, the agreement has effect as if the transferee had always been a party to the agreement.

- (3) In this clause—

*relevant date* means—

- (a) for an allocation order—the date specified in the order for the transfer to take effect;
- (b) for a claw back order—the date specified in the order for the re-transfer to take effect;
- (c) for a Ministerial Gazette notice providing for the transfer of AEMO T's assets and liabilities—the date fixed by the notice for the transfer to take effect;

*transfer order* means an allocation order, a claw back order, or a Ministerial Gazette notice under clause 68;

*transferor* means the person from whom assets and liabilities are transferred by a transfer order.

## **70 Continued effect of certain acts by GMC or AEMO T**

Anything done, or omitted to be done, by GMC or AEMO T in relation to assets or liabilities transferred to AEMO under this Division is, if it continues to have effect as at the date of the transfer, taken to be AEMO's act or omission.

## **71 Continuation of proceedings**

Proceedings commenced before 1 July 2009 by or against GMC or AEMO T may be continued and completed by or against AEMO.

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**72 Validity and effect of things done under this Division**

- (1) Nothing done under this Division—
  - (a) constitutes a breach of contract or confidence, or other civil wrong; or
  - (b) places a person in breach of, or constitutes a default under—
    - (i) a statutory or non-statutory law or obligation; or
    - (ii) a provision in an agreement, arrangement or understanding including (for example) a provision prohibiting, restricting or regulating the assignment, transfer, sale or disposal of property or the disclosure of information; or
  - (c) fulfils a condition that allows a person to exercise a power, right or remedy in respect of, or to terminate, an agreement or obligation; or
  - (d) gives rise to a remedy for a party to a contract or instrument because of a change in the beneficial or legal ownership of property; or
  - (e) avoids a contract or instrument or renders it unenforceable; or
  - (f) frustrates a contract; or
  - (g) releases any surety or other obligor wholly or in part from any obligation.
- (2) The transfer of a liability of GMC or AEMO T under this Division releases GMC or AEMO T from the liability.
- (3) An allocation order or a claw back order has effect despite any other law or instrument.
- (4) If the books and records of GMC or AEMO T are transferred to AEMO under this Division, AEMO must—
  - (a) preserve the books and records for at least 7 years; and
  - (b) allow GMC or AEMO T, and their directors or former directors reasonable access to the books and records.

### **73 Evidence of transfer**

- (1) A written notice signed by the NSW Minister stating that a specified transfer of assets or liabilities has been made from or to GMC under this Division is conclusive evidence of the transfer.
- (2) A written notice signed by the South Australian Minister stating that a specified transfer of assets or liabilities has been made from or to AEMO T under this Division is conclusive evidence of the transfer.

### **74 Obsolete references**

A reference in a document to GMC or to AEMO T in connection with an asset or liability transferred to AEMO under this Division is, from the date of transfer, taken to be a reference to AEMO.

## **Division 4 Acceptance of transfer from former gas market operators and AEMO T**

### **75 Parties to transfer must do anything necessary to perfect transfer**

- (1) AEMO must accept assets and liabilities transferred to it under this Part or under jurisdictional legislation.
- (2) The South Australian Minister may direct AEMO's directors to accept, on AEMO's behalf, a transfer of assets or liabilities made under this Part or under jurisdictional legislation.
- (3) The relevant parties must take necessary action to perfect a transfer of assets or liabilities under this Part or under jurisdictional legislation.
- (4) The South Australian Minister may direct the directors of a relevant party to ensure that the relevant party complies with an obligation imposed under subclause (3).

- (5) In this clause—  
*relevant party* means—

- (a) AEMO; or
- (b) AEMO T; or
- (c) GMC.

## 76 Corporations Act displacement

To the extent that any provision of this Part is incapable of concurrent operation with a provision of the *Corporations Act 2001* of the Commonwealth (a ***designated Commonwealth provision***), the provision of this Part is declared to be Corporations legislation displacement provision for the purposes of section 5G of that Act in relation to the designated Commonwealth provision.

*Note—*

Section 5G of the Corporations Act provides that if a State law declares a provision of a State law to be a Corporations legislation displacement provision, any provision of the Corporations legislation with which the State provision would otherwise be inconsistent does not apply to the extent necessary to avoid the inconsistency.

## Division 5 Fees and charges

### 77 AEMO's fees and charges

- (1) Despite Chapter 2 Part 6 Division 5—
  - (a) for the first 2 years of the prescribed period, fees and charges must be determined and recovered on the same basis as they were determined and recovered by the former gas market operators whose functions AEMO has assumed; and
  - (b) for the final year of the prescribed period, fees and charges may be determined and recovered on the same basis as they were determined and recovered by the former gas market operators whose functions AEMO has assumed; but
  - (c) AEMO must carry out a review of its fees and charges before the end of the prescribed period and ensure that,

as from the end of the prescribed period, the determination and recovery of its fees and charges conform with Chapter 2 Part 6 Division 5 and the Rules.

(2) In this clause—

*prescribed period* means the period of 3 years commencing on the commencement of this clause or some other date fixed by Ministerial Gazette notice.

## **78 Establishment expenditure**

- (1) AEMO may recover establishment expenditure as a component of the participant fees payable by users and non-scheme pipeline users.
- (2) The establishment expenditure is to be recovered—
  - (a) over a period of 4 financial years from the relevant changeover date; and
  - (b) in accordance with a schedule prepared by AEMO and published on its website.
- (3) AEMO is not required to consult on the schedule.

## **79 Expenditure on gas statement of opportunities**

- (1) Expenditure related to the gas statement of opportunities made before, or within 3 years after, the commencement date is to be regarded as expenditures on a major gas project.
- (2) AEMO may recover that expenditure as a component of the participant fees payable by users and non-scheme pipeline users.
- (3) The expenditure is to be recovered—
  - (a) over a period of 4 financial years from the relevant changeover date; and
  - (b) in accordance with a schedule prepared by AEMO and published on its website.
- (4) AEMO is not required to consult on the schedule.

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## **Division 6                      Information**

### **80            Transferred information**

- (1) AEMO stands in the same position as GMC or AEMO T in relation to information transferred under this Part from GMC or AEMO T to AEMO.
- (2) It follows that—
  - (a) if the information was confidential in the hands of GMC or AEMO T before the transfer, it remains confidential in AEMO’s hands after the transfer; and
  - (b) AEMO must deal with the information in the same way as if it had been acquired or produced by AEMO rather than GMC or AEMO T.
- (3) AEMO must allow GMC or AEMO T or their representatives such access to the transferred information as may be reasonable in the circumstances.

### **81            Calculations**

A calculation made by a former gas market operator before the relevant changeover date is, to the extent it has continuing relevance after the relevant changeover date, taken to have been made by AEMO.

## **Division 7                      Deferral of relevant legislative innovations in Queensland**

### **82            Queensland Minister’s power to defer commencement of relevant legislative innovations**

- (1) The Queensland Minister may, by notice published in the Queensland Government Gazette, defer the commencement in Queensland of specified parts or provisions of the relevant legislative innovations.

- (2) The Queensland Minister may, by subsequent notice published in the Queensland Government Gazette, vary or revoke a notice under subclause (1).

## **Division 8                      Special transitional provisions for South Australia**

### **83            Definitions**

In this Division—

*relevant contractual provisions for dispute resolution* means the provisions for dispute resolution contained in transitional contracts;

*Retail Market Procedures* means Procedures governing the operation of the regulated retail gas market in South Australia;

*Retail Market Rules* means the rules published by REMCo as the REMCo Retail Market Rules insofar as those rules apply in relation to South Australia;

*transitional contract* means a contract, or presumptive contract, that continues in force under clause 84;

*transitional period* means the period for which transitional contracts remain in force after the relevant changeover date.

### **84            Transitional contracts**

- (1) A contract, or presumptive contract, in the form, or substantially in the form, prescribed in the appendices to the Retail Market Rules that was in force immediately before the relevant changeover date continues in force after the relevant changeover date for the purposes of, and subject to and in accordance with, the corresponding provisions of the Retail Market Procedures.
- (2) Any such contract or presumptive contract is to be read and construed—
- (a) as if—



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- (i) a reference to REMCo were a reference to AEMO; and
  - (ii) a reference to the Retail Market Rules, or a provision of the Retail Market Rules were a reference to the Retail Market Procedures or the corresponding provision of the Retail Market Procedures; and
  - (iii) the contract were amended to reflect the most recent version of the relevant pro-forma contract set out in the appendices to the Retail Market Procedures; and
- (b) subject to any other necessary adaptations and modifications.

## **85 Contractual provisions for dispute resolution**

- (1) The relevant contractual provisions for dispute resolution apply, to the exclusion of provisions of this Law or the Rules for dispute resolution, in relation to any dispute to which the relevant contractual provisions are applicable.
- (2) The relevant contractual provisions for dispute resolution continue to operate for as long as the transitional contracts in which they are contained continue in force.

## **86 Risk allocation**

- (1) To the extent of any inconsistency, Part 8.5 of the Retail Market Procedures applies, during the transitional period, to the exclusion of Chapter 2 Part 6 Division 10 of this Law.
- (2) To the extent of any inconsistency, clause 366 of the Retail Market Procedures applies, during the transitional period, to the exclusion of Rule 138A(8) of the National Gas Rules.
- (3) In this clause, a reference to the *Retail Market Procedures* is (if the Retail Market Rules have not yet been superseded by the Retail Market Procedures) to be read as a reference to the Retail Market Rules.

## **Part 12**                      **Transitional provision related to short term trading markets**

### **87**      **Initial STTM Procedures**

- (1) This clause applies if on the day section 9 of the *National Gas (South Australia) (Short Term Trading Market) Amendment Act 2009* of South Australia comes into operation there are Rules in force that specify a procedure to be followed in the making of Procedures (the *NGR Procedures Rules*).
- (2) Despite the NGR Procedures Rules, AEMO is not required to comply with the NGR Procedures Rules for the purpose of making the first STTM Procedures under section 91BRG after the enactment of the *National Gas (South Australia) (Short Term Trading Market) Amendment Act 2009*.

## **Part 13**                      **Application of National Energy Retail Law amendments**

### **88**      **Application of National Energy Retail Law amendments**

The amendments made to this Law by the *Statutes Amendment (National Energy Retail Law) Act 2011* of South Australia do not apply in a participating jurisdiction until the National Energy Retail Law is applied in that jurisdiction as a law of that jurisdiction.

## **Part 14**                      **Information publication**

### **89**      **Information publication**

The release of information given to the AER or AEMO in confidence before the commencement of this clause will be subject to the provisions of this Law in force immediately before that commencement.

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## **Part 15**                      **Transitional provision related to AEMC rule making powers**

### **90**      **AEMC rule making powers**

The amendment to section 304 of this Law by section 26 of the *Statutes Amendment (National Energy Laws) (Rules) Act 2018* does not apply to the making of—

- (a) a Rule on a request under section 295(1) of this Law received by the AEMC before the commencement of this clause; or
- (b) an AEMC initiated Rule (within the meaning of section 290 of this Law) in respect of which the AEMC has, before the commencement of this clause, published notice of its intention to make.

## **Part 16**                      **Transitional provisions relating to capacity trading and auctions and harmonisation amendments**

### **91**      **Immunity from liability—implementation or use of standard market timetable**

- (1) Unless the Regulations otherwise indicate or provide, a person required by the Rules to use the standard market timetable incurs no civil monetary liability in connection with a pre-harmonisation contract for using the standard market timetable in accordance with the Rules contrary to the terms of that pre-harmonisation contract.
- (2) Subclause (1) does not apply to deprive a person of a contractual right under a pre-harmonisation contract to be—
  - (a) provided with a certain amount of goods or services under the contract; or
  - (b) paid for goods and services provided under the contract.

- (3) In this clause—

*pre-harmonisation contract* means a contract or other arrangement entered into by a person before the commencement of this clause.

## **92 Immunity from liability—supply of capacity through capacity auctions**

- (1) Unless the Regulations otherwise indicate or provide, a transportation service provider incurs no civil monetary liability to a transportation facility user because of the supply of transportation services to any other person by means of transportation capacity sold through a capacity auction in breach of a relevant exclusivity right where the sale of the transportation capacity through that capacity auction is required by the Rules.

- (2) In this clause—

*relevant exclusivity right*, in relation to transportation services, means an express contractual right that arose under a contract entered into before the commencement of this clause that—

- (a) prevents a transportation service provider from supplying transportation services to persons who are not parties to the contract concerned; or
- (b) limits or controls the supply by a transportation service provider of transportation services to persons who are not parties to the contract,

but does not include a transportation facility user's right under the contract to be provided with a certain amount of transportation services.

## **93 Immunity for giving effect to the auction priority principles**

- (1) Unless the Regulations otherwise indicate or provide, a transportation service provider incurs no civil monetary liability to a transportation facility user for the supply by the provider of a transportation service in accordance with a

priority of service rule in priority to any transportation service supplied or that may be supplied to the transportation facility user under an agreement entered into between the transportation service provider and the transportation facility user before the commencement of this clause.

(2) In this clause—

*priority of service rule* means a requirement of the Rules or the Operational Transportation Service Code for or with respect to—

- (a) the priority to be given to transportation capacity acquired through a capacity auction in connection with the supply of a transportation service; or
- (b) the time for (including a delay in) the scheduling of supply of a transportation service so as to give priority to transportation capacity acquired through a capacity auction;

*supply*, in relation to a transportation service, includes to schedule, provide and curtail supply (within the meaning of section 2) of the transportation service.

## 94 Transitional regulations

- (1) The Regulations may deal with matters of a transitional nature with respect to the Capacity Trading and Auction amendments.
- (2) Regulations under subclause (1) may defer, exclude or modify the application of any of the Capacity Trading and Auction amendments—
  - (a) in any participating jurisdiction; or
  - (b) in relation to a person, transportation service or transportation facility specified by the regulations; or
  - (c) in relation to a class of persons, transportation services or transportation facilities specified by the regulations.
- (3) Regulations under subclause (1) may—
  - (a) be of general or limited application; or

- (b) vary according to the persons, times, places or circumstances to which they are expressed to apply.
- (4) If regulations under subclause (1) so provide, they have effect despite any provision of the NGL, the National Gas Regulations, the National Gas Rules, the Capacity Transfer and Auction Procedures or the Operational Transportation Services Code.
- (5) In this clause—  
*Capacity Trading and Auction amendments* means the amendments made to this Law by the *National Gas (South Australia) (Capacity Trading and Auctions) Amendment Act 2018*.

## Part 17                      Transitional provisions for rate of return instrument

### 95        Definitions

In this Part—

*2013 non-binding guideline* means the guideline about determining the rate of return on capital issued by the AER in 2013;

*review*, of the 2013 non-binding guideline, means the review of the guideline started by the AER in 2017;

*stakeholders* means—

- (a) service providers and consumer organisations; or
- (b) end users and prospective end users; or
- (c) any of the following persons the AER considers appropriate to give the AER advice or comment about the review of the 2013 non-binding guideline—
  - (i) persons engaged by a covered pipeline service provider, a consumer organisation or another entity to give the advice or comment;

- (ii) other persons the AER considers have the qualifications or experience appropriate to give the advice or comment; or
- (d) other persons the AER considers have an interest in the review of the 2013 non-binding guideline.

**96 Making first rate of return instrument if review not completed before commencement**

- (1) This clause applies if—
  - (a) the review of the 2013 non-binding guideline was not completed before the commencement of this clause; and
  - (b) the AER has sought advice or comment from stakeholders in relation to the review; and
  - (c) at least 3 months before making the first rate of return instrument, the AER has published on its website a draft of the proposed first rate of return instrument or proposed new non-binding guideline under the Rules; and
  - (d) the draft instrument or guideline has been reviewed by an independent panel consisting of at least 3 members with qualifications or experience the AER considers appropriate to conduct the review.
- (2) Chapter 2 Part 1 Division 1A Subdivision 3 does not apply in relation to making the first rate of return instrument.
- (3) The independent panel mentioned in subclause (1)(d) must seek to give the AER a consensus report on the panel's review.
- (4) However, a failure to give the AER a consensus report does not affect the making of the first rate of return instrument.

**97 Making first rate of return instrument if review completed before commencement**

- (1) This clause applies if, before the commencement of this clause—

- (a) the review of the 2013 non-binding guideline was completed and a new non-binding guideline is in force under the Rules; and
  - (b) the AER sought advice or comment from stakeholders in relation to the review; and
  - (c) at least 3 months before making the new non-binding guideline, the AER published on its website a draft of the proposed new non-binding guideline; and
  - (d) the draft was reviewed by an independent panel consisting of at least 3 members with qualifications or experience the AER considered appropriate to conduct the review; and
  - (e) the independent panel gave the AER a report on the panel's review.
- (2) The new non-binding guideline is taken to be the first rate of return instrument on the commencement.
- (3) For section 30P, the instrument is taken to have been published on the AER's website on the commencement.
- (4) The report mentioned in subclause (1)(e) need not be a consensus report on the panel's review.

## 98 Application of this Law to particular decisions

- (1) The amended Law applies in relation to an AER economic regulatory decision made after the commencement even if any action or process for making the decision started before the commencement.
- (2) However, subclause (1) does not apply in relation to an AER economic regulatory decision made before the commencement that has been remitted back to the AER to make the decision again.
- (3) In this clause—

*amended Law* means this Law as amended by the *Statutes Amendment (National Energy Laws) (Binding Rate of Return Instrument) Act 2018*;



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*commencement* means the commencement of Chapter 2 Part 1 Division 1A.

## Part 18 Savings and transitional provisions related to Ministerial Council on Energy amendments

### 99 Definitions

In this Part—

*Amendment Act* means the *Statutes Amendment (National Energy Laws) (Omnibus) Act 2021*;

*commencement day* means the day on which section 33 of the Amendment Act comes into operation.

### 100 References to Ministerial Council on Energy

(1) On and from the commencement day, a reference to the Ministerial Council on Energy or MCE in an Act, a legislative instrument, any other kind of instrument, or a contract, agreement or other document will be taken to be a reference to the MCE as defined in section 2 (as amended by section 33 of the Amendment Act).

(2) In this clause—

*agreement* includes the Australian Energy Market Agreement or any other intergovernmental agreement to which this jurisdiction is a party.

### 101 Rights under certain change of law provisions in agreements or deeds not to be triggered

(1) The substitution of the definition of the MCE by section 33 of the Amendment Act is not to be regarded as a change of law (however defined) under any agreement or deed in effect on the commencement day.

- (2) Subclause (1) applies despite any provision in any agreement or deed to the contrary.

## **102 Rights under contracts etc**

- (1) The substitution of the definition of the MCE by section 33 of the Amendment Act does not affect a right, obligation, liability or immunity of the MCE under an agreement, deed or other instrument entered into by the MCE and in effect on the commencement day.
- (2) On and from the commencement day, a reference to the Ministerial Council on Energy or MCE in an agreement, deed or other instrument referred to in subclause (1) will be taken to be a reference to the MCE as defined in section 2 (as amended by section 33 of the Amendment Act).
- (3) Subclause (1) applies despite any provision in any agreement, deed or other instrument to the contrary.

## **103 Saving of decisions etc**

The substitution of the definition of the MCE by section 33 of the Amendment Act does not affect the validity of—

- (a) any decision or direction made by the MCE before the commencement day; or
- (b) any appointment in accordance with a recommendation or nomination of the MCE made before the commencement day.

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## Part 19 Transitional provisions related to pipeline regulation amendments

### Division 1 Preliminary

#### 104 Definitions

In this Part—

*15-year no-coverage determination* means a 15-year no-coverage determination within the meaning of section 2 of the pre-amended Law;

*commencement day* means the day on which this Part comes into operation;

*covered pipeline* means a covered pipeline within the meaning of section 2 of the pre-amended Law;

*limited access arrangement* means a limited access arrangement within the meaning of section 2 of the pre-amended Law;

*pre-amended Law* means this Law as in force immediately before the commencement day;

*price regulation exemption* means a price regulation exemption within the meaning of section 2 of the pre-amended Law;

*relevant entity* means—

- (a) a relevant Minister within the meaning of section 2 of the pre-amended Law; or
- (b) the NCC within the meaning of section 2 of the pre-amended Law;

*tender approval decision* means a tender approval decision within the meaning of section 2 of the pre-amended Law;

*tender approval pipeline* means a pipeline to which a tender approval decision relates under section 126 of the pre-amended Law;

*voluntary access arrangement pipeline* means a pipeline in relation to which a full access arrangement was voluntarily submitted under section 127 of the pre-amended Law.

## **Division 2                    Regulation and classification of pipelines**

### **Subdivision 1            Covered pipelines generally**

#### **105    Particular covered pipelines deemed to be scheme pipelines**

- (1) This clause applies in relation to a pipeline that, immediately before the commencement day, was a covered pipeline, other than a light regulation pipeline.

*Note—*

A covered pipeline includes a pipeline deemed to be a covered pipeline by operation of section 126 or 127 of the pre-amended Law.

- (2) On the commencement day—
- (a) the covered pipeline is deemed to be a scheme pipeline; and
  - (b) a scheme pipeline determination is deemed to have been made in relation to the pipeline.
- (3) In this section—

*light regulation pipeline* means a covered pipeline by means of which light regulation services, within the meaning of section 2 of the pre-amended Law, are supplied under a light regulation determination, within the meaning of section 2 of the pre-amended Law.

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## **Subdivision 2      Provisions for tender approval pipelines**

### **106      Particular tender approval pipelines become scheme pipelines**

- (1) This clause applies in relation to a tender approval pipeline if the tender approval decision for the pipeline has not become irrevocable before the commencement day.
- (2) On the tender approval decision becoming irrevocable—
  - (a) the pipeline becomes a scheme pipeline; and
  - (b) a scheme pipeline determination is deemed to have been made in relation to the pipeline.

### **107      When particular scheme pipelines become non-scheme pipelines**

- (1) This clause applies in relation to a pipeline that, before the commencement day, was a tender approval pipeline and—
  - (a) is deemed to be a scheme pipeline under clause 105; or
  - (b) becomes a scheme pipeline under clause 106.
- (2) On the earlier of the following events happening, the pipeline becomes a non-scheme pipeline—
  - (a) if there is an applicable access arrangement that applies to the pipeline services provided by means of that pipeline—when that arrangement expires;
  - (b) when a scheme pipeline revocation determination made in relation to that pipeline takes effect.

### **Subdivision 3      Provisions for voluntary access arrangement pipelines**

#### **108      Particular voluntary access arrangement pipelines become scheme pipelines**

- (1) This clause applies in relation to a voluntary access arrangement pipeline if the full access arrangement voluntarily submitted to the AER has not been approved before the commencement day.
- (2) On the day the full access arrangement takes effect as an applicable access arrangement—
  - (a) the pipeline becomes a scheme pipeline; and
  - (b) a scheme pipeline determination is deemed to have been made in relation to the pipeline.

#### **109      When particular scheme pipelines become non-scheme pipelines**

- (1) This clause applies to a pipeline that, before the commencement day, was a voluntary access arrangement pipeline and—
  - (a) is deemed to be a scheme pipeline under clause 105; or
  - (b) becomes a scheme pipeline under clause 108.
- (2) On the earlier of the following events happening, the pipeline becomes a non-scheme pipeline—
  - (a) if there is an applicable access arrangement that applies to the pipeline services provided by means of that pipeline—when that arrangement expires;
  - (b) when a scheme pipeline revocation determination takes effect in relation to the pipeline.

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## Subdivision 4      **Classification of pipelines**

### **110      Classification under pre-amended Law continues in effect**

- (1) On the commencement day—
  - (a) a pipeline that, immediately before the commencement day, is a distribution pipeline within the meaning of section 2 of the pre-amended Law continues to be a distribution pipeline; and
  - (b) a pipeline that, immediately before the commencement day, is a transmission pipeline within the meaning of section 2 of the pre-amended Law continues to be a transmission pipeline.
- (2) Nothing in subclause (1) prevents a pipeline from being reclassified, under this Law, as a distribution pipeline or transmission pipeline.

### **111      Pipelines not classified under pre-amended Law or jurisdictional gas legislation**

- (1) This clause applies in relation to an existing pipeline that, immediately before the commencement day, was not classified as a distribution pipeline or transmission pipeline under the pre-amended Law or under a licence or authorisation granted in relation to the pipeline under jurisdictional gas legislation.
- (2) On the commencement day, the pipeline is taken to have the classification shown in the register known as the ‘Gas pipeline register’ that is maintained by the AEMC under Part 15 of the Rules (the *AEMC register*).
- (3) However, if the AEMC register does not contain a classification for the pipeline, the service provider must apply to the AER for a classification decision within 2 months after the commencement day.

- (4) Nothing in subclause (2) prevents the pipeline from being reclassified, under this Law, as a distribution pipeline or transmission pipeline.

## **112 Notice to be given about classification of particular pipelines**

- (1) This clause applies in relation to a pipeline that—
  - (a) immediately before the commencement day, was a pipeline to which the pre-amended Law applied; but
  - (b) does not have a classification that is continued, or taken to be, in effect for the pipeline under clauses 110 to 111.
- (2) Within 2 months after the commencement day, the service provider for the pipeline must notify the AEMC whether the pipeline is classified as a distribution pipeline or as a transmission pipeline under the licence or authorisation granted in relation to the pipeline under jurisdictional gas legislation.

## **Division 3 Pending matters under Chapter 3 of pre-amended Law**

### **113 Pending applications under Chapter 3 of pre-amended Law**

- (1) This clause applies despite clause 43(1)(b) and (c) of Schedule 2 to this Law.
- (2) On the commencement day, any application under Chapter 3 of the pre-amended Law in respect of which a decision has not been made under that Chapter immediately before that day lapses.

### **114 Recommendation-making process under Chapter 3 of pre-amended Law**

- (1) This clause applies if, immediately before the commencement day, a relevant entity—



- 
- (a) is deciding whether to make a recommendation (however described) under a requirement of Chapter 3 of the pre-amended Law; and
  - (b) has not made the recommendation.
- (2) On the commencement day—
- (a) the requirement to make the recommendation stops having effect; and
  - (b) the relevant entity must stop deciding whether to make the recommendation.

#### **115 Decision-making process under Chapter 3 of pre-amended Law**

- (1) This clause applies if, immediately before the commencement day, a relevant entity—
- (a) is deciding whether to make a decision (however described) or determination (however described) under a requirement of Chapter 3 of the pre-amended Law; and
  - (b) has not made the decision or determination.
- (2) On the commencement day—
- (a) the requirement to make the decision or determination stops having effect; and
  - (b) the relevant entity must stop deciding whether to make the decision or determination.

### **Division 4 Provisions for limited access arrangements**

#### **116 Limited access arrangements**

- (1) This clause applies in relation to a limited access arrangement that is in force immediately before the commencement day.
- (2) On the commencement day, the limited access arrangement lapses.

### **117 Submission of limited access arrangement**

- (1) This clause applies if, before the commencement day—
  - (a) a service provider has submitted a limited access arrangement to the AER for approval; and
  - (b) the AER has not approved the limited access arrangement.
- (2) On the commencement day, the submission lapses.

## **Division 5 Provisions for 15-year no-coverage determinations**

### **Subdivision 1 General provisions**

#### **118 15-year no-coverage determinations deemed to be greenfields incentive determinations**

- (1) On the commencement day, a 15-year no-coverage determination that was in force immediately before the commencement day is deemed to be a greenfields incentive determination.
- (2) The determination continues in operation for a period of 15 years from the commissioning of the pipeline.

#### **119 Exemption for pipelines to which a 15-year no-coverage determination applied**

- (1) This clause applies to a pipeline if a 15-year no-coverage determination that applied to the pipeline before the commencement day is deemed to be a greenfields incentive determination under clause 118.
- (2) During the period mentioned in clause 118(2), Chapters 4 and 5 do not apply to the pipeline unless the pipeline is or becomes a third party access pipeline.
- (3) A pipeline is a third party access pipeline for the purposes of this clause if any pipeline services provided by means of the

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pipeline are provided, directly or indirectly, to any person other than—

- (a) the service provider for the pipeline; or
- (b) a related body corporate of the service provider for the pipeline; or
- (c) a joint venture in which the service provider for the pipeline or a related body corporate of the service provider is a joint venture participant.

**120 Pending applications for 15-year no-coverage determinations under pre-amended Law**

- (1) This clause applies in relation to an application for a 15-year no-coverage determination under Chapter 5 Part 2 of the pre-amended Law in respect of which a decision has not been made under that Part immediately before the commencement day.
- (2) Chapter 5 Part 2 as in force immediately before the commencement day continues to apply to the application as if that Part were still in force.
- (3) To remove any doubt, a relevant entity may, in relation to the application, make a recommendation or determination under Chapter 5 Part 2 as in force immediately before the commencement day as if that Part were still in force.
- (4) A 15-year no-coverage determination made on or after the commencement day, under the operation of this clause, is deemed to be a greenfields incentive determination.
- (5) The greenfields incentive determination continues in operation for a period of 15 years from the commissioning of the pipeline.

## **Subdivision 2      Price regulation exemptions**

### **121      Pending applications for price regulation exemption**

On the commencement day, any application for a price regulation exemption under section 160 of the pre-amended Law in respect of which a decision has not been made under Chapter 5 Part 3 of the pre-amended Law immediately before that day lapses.

### **122      Making of recommendations for price regulation exemptions**

- (1) This clause applies if the NCC—
  - (a) has received under section 160 of the pre-amended Law an application for a price regulation exemption for a pipeline the subject of the application; and
  - (b) immediately before the commencement day, has not made a recommendation under section 162 of the pre-amended Law.
- (2) On the commencement day—
  - (a) the requirement to make the recommendation stops having effect; and
  - (b) the NCC must not make the recommendation.

### **123      Granting of price regulation exemptions**

- (1) This clause applies if, immediately before the commencement day, the Commonwealth Minister—
  - (a) is deciding whether to make a decision to grant a price regulation exemption under section 164 of the pre-amended Law; and
  - (b) has not granted the exemption.
- (2) On the commencement day—
  - (a) the requirement to decide whether to make a decision to grant the exemption stops having effect; and

- (b) the Commonwealth Minister must stop deciding whether to make a decision to grant the exemption.

## **124 Price regulation exemptions deemed to be greenfields incentive determinations**

- (1) This clause applies in relation to a price regulation exemption if the exemption—
- (a) has been granted before the commencement day; and
  - (b) immediately before the commencement day, is not ineffective only because of section 167(2) of the pre-amended Law.

*Note—*

Under section 167(2) of the pre-amended Law, a price regulation exemption is ineffective unless a limited access arrangement, approved by the AER, is in force in relation to the relevant pipeline.

- (2) On the commencement day, the exemption is deemed to be a greenfields incentive determination.
- (3) The greenfields incentive determination continues in operation for a period of 15 years from the commissioning of the pipeline.

*Note—*

Under section 167(1) of the pre-amended Law, if a price regulation exemption is granted, the exemption remains in force for a period of 15 years from the commissioning of the pipeline.

## **Division 6 Access disputes**

### **125 Access disputes started under pre-amended Law**

- (1) This clause applies if—
- (a) an access dispute has been started under Chapter 6 or 6A of the pre-amended Law; and
  - (b) the access dispute has not been finally dealt with or decided immediately before the commencement day.

- (2) An access dispute started under Chapter 6 of the pre-amended Law must be dealt with and decided under that Chapter as if it were still in force and despite Chapter 5.
- (3) An access dispute started under Chapter 6A of the pre-amended Law must be dealt with and decided under that Chapter as if it were still in force and despite Chapter 5.

## **Division 7                      Miscellaneous provisions**

### **126      Service provider for non-scheme pipeline not required to comply with section 131**

- (1) This clause applies in relation to a service provider for a pipeline that—
  - (a) was in operation before the commencement day; and
  - (b) on the commencement day, is a non-scheme pipeline.
- (2) The service provider is not required to comply with section 131.

### **127      Exemptions from minimum ring fencing requirements**

- (1) This clause applies in relation to a service provider who held an exemption under section 146 of the pre-amended Law that was in force immediately before the commencement day.
- (2) On the commencement day, the exemption continues in force.

### **128      Delayed commencement of ring fencing requirements for non-scheme pipelines**

- (1) This clause applies in relation to a pipeline that, immediately before the commencement day, was a non-scheme pipeline.
- (2) On the commencement day, Part 2 of Chapter 4 does not apply to the pipeline.
- (3) However, Part 2 of Chapter 4 starts applying to the pipeline at the end of 12 months after the commencement day.

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**129 Provision for Goldfields Gas Pipeline**

- (1) On the commencement day, any expansion of the Goldfields Gas Pipeline that did not previously form part of the scheme pipeline becomes part of the scheme pipeline.
- (2) In this section—

*Goldfields Gas Pipeline* means the transmission pipeline between Yarraloola and Kalgoorlie in Western Australia and defined in Pipeline Licence 24 (as amended) issued under the *Petroleum Pipelines Act 1969* of Western Australia, including any extension to, or expansion of the capacity of, that pipeline.

**130 Provision for Northern Gas Pipeline**

- (1) This clause applies in relation to the Northern Gas Pipeline.
- (2) On the commencement day, Chapters 4 and 5 do not apply to the pipeline.
- (3) However, Chapters 4 and 5 start applying to the pipeline—
  - (a) if the pipeline becomes a scheme pipeline—when the pipeline becomes a scheme pipeline; or
  - (b) otherwise—at the end of a period of 15 years from the commissioning of the pipeline.
- (4) In this clause—

*access principles* means the arrangements agreed between the service provider for the Northern Gas Pipeline and the Northern Territory Government under which a prospective user may gain access to pipeline services on the Northern Gas Pipeline;

*Northern Gas Pipeline* means the pipeline between Tennant Creek in the Northern Territory and Mount Isa in Queensland, the subject of Pipeline Licence 34 granted under the *Energy Pipelines Act 1981* of the Northern Territory and Pipeline Licence 2015 granted under the *Petroleum and Gas (Production and Safety) Act 2004* of Queensland, including any extension to, or expansion of the capacity of, that pipeline that is subject to the access principles.

**131 Pending applications under Rules for approval of tender process**

- (1) This clause applies—
  - (a) in relation to an application that has been made to the AER under the Rules for the approval, by the AER, of a tender process for the construction and operation of a proposed pipeline as a competitive tender process; and
  - (b) in respect of which the AER has not made a tender approval decision before the commencement day.
- (2) On the commencement day, the application lapses despite clause 43(1)(b) and (c) of Schedule 2 to this Law.

**132 Decision-making process under Rules for approval of tender process**

- (1) This clause applies if, before the commencement day, the AER—
  - (a) is deciding whether to make a tender approval decision; and
  - (b) has not made the decision.
- (2) On the commencement day—
  - (a) the requirement to make the tender approval decision stops having effect; and
  - (b) the AER must stop deciding whether to make the tender approval decision.

**Part 20 Transitional provisions related to national gas objective amendments**

**133 Definitions**

In this Part—



***amended objective*** means the national gas objective as in force on the commencement of this clause;

***amending Act*** means the *Statutes Amendment (National Energy Laws) (Emissions Reduction Objectives) Act 2023*;

***government or regulatory entity*** means the AEMC, AEMO, the AER, the Energy Security Board, the MCE or another government entity;

***start day***—see clause 134(2)(a).

### **134 When amended objective takes effect for particular matters**

- (1) This clause applies in relation to a thing required or permitted to be done under this Law by a person or body, other than the AEMC, if, in doing the thing, the person or body is required to consider or apply the national gas objective including, for example, by—
  - (a) having regard to the national gas objective; or
  - (b) doing the thing in a manner that will or is likely to contribute to the achievement of the national gas objective.
- (2) Despite section 14 of the amending Act—
  - (a) the national gas objective as in force before that section came into operation continues to apply for the doing of the thing until the day (the ***start day***) that is 2 months after the commencement of this clause; and
  - (b) the amended objective applies in relation to the doing of the thing from the start day.
- (3) However, if the thing required or permitted to be done relates to a relevant access arrangement—
  - (a) on the commencement of this clause the amended objective applies to the doing of the thing; and
  - (b) clause 135(3) does not apply in relation to the doing of the thing.
- (4) Subclauses (1) and (2) are subject to clause 135.

(5) In this clause—

***relevant access arrangement*** means an access arrangement under the Rules proposed to commence on 1 January 2025 for—

- (a) the Mid-West and South-West Gas Distribution System comprised of the scheme distribution pipeline in Western Australia and defined in gas distribution licence 8 (as amended) issued under the *Energy Coordination Act 1994* of Western Australia, including any extension to or expansion of the capacity of that pipeline; or
- (b) the Goldfields Gas Pipeline comprised of the transmission pipeline between Yarraloola and Kalgoorlie in Western Australia and defined in Pipeline Licence 24 (as amended) issued under the *Petroleum Pipelines Act 1969* of Western Australia, including an extension to or expansion of the capacity of, that pipeline.

### **135 Application of national gas objective to particular matters in progress on start day**

(1) This clause applies if—

- (a) before the start day, a person or body had started, or was required or permitted to start, doing a thing; and
- (b) on the start day—
  - (i) the person or body has not finished doing the thing; or
  - (ii) the period within which the thing is required or permitted to be done has not ended; and
- (c) in doing the thing the person or body is required to consider or apply the national gas objective by, for example—
  - (i) having regard to the national gas objective; or
  - (ii) doing the thing in a manner that will or is likely to contribute to the achievement of the national gas objective.

- (2) The national gas objective as in force before the commencement of this clause, and as continued in effect under clause 134 until the start day, continues to apply in relation to the doing of the thing.
- (3) However, a government or regulatory entity may decide to consider or apply the amended objective in relation to the doing of the thing.
- (4) For subclause (1), a matter relating to an access arrangement is taken not to have been started, or required or permitted to have been started, before the start day if, on the start day, the access arrangement proposal for the access arrangement has not been submitted for the AER's approval under Rule 46 of the Rules.

### **136 Administrative guidance for decisions under clause 135(3)**

- (1) If a government or regulatory entity, other than the AER, proposes to exercise a discretion under clause 135(3), the entity must use its best endeavours to ensure that within 45 days after the commencement of this clause, it issues administrative guidance about the matters the entity is likely to have regard to in deciding whether to consider or apply the amended objective in doing a thing.
- (2) The AER must, within 45 days after the commencement of this clause, issue administrative guidance about the matters the AER is likely to have regard to in deciding whether to consider or apply the amended objective in doing a thing.
- (3) A failure to comply with this section does not prevent a government or regulatory entity from exercising a discretion under clause 135(3).

### **137 Administrative guidance about value of greenhouse gas emissions**

- (1) This clause applies if—

- (a) administrative guidance is issued by a government or regulatory entity about considering or applying the amended objective; and
  - (b) the guidance includes the value, or a method of working out the value, of greenhouse gas emissions or greenhouse gas emissions reduction; and
  - (c) the guidance is consistent with any MCE statement.
- (2) The value or method stated in the administrative guidance must be complied with by the government or regulatory entity in considering or applying the amended objective.
- (3) This clause applies until a Regulation or Rule takes effect for the matter described in subclause (1).
- (4) In this clause—

*MCE statement* means a statement issued by the MCE that states the value, or a method of or guidance for working out the value, of greenhouse gas emissions or greenhouse gas emissions reduction, that is to be used by a government or regulatory entity in considering or applying the amended objective until a Regulation or Rule mentioned in subclause (3) takes effect.

### **138 Validation of things done in relation to Rules before commencement**

- (1) This clause applies if, before the commencement of this clause—
- (a) the MCE or a Minister of a participating jurisdiction had requested a Rule under section 295(1) in relation to the national gas objective as if the amended objective were in force; and
  - (b) the AEMC had done a thing under Chapter 9, other than sections 313 to 315, in relation to the request.
- (2) On the commencement of this clause—
- (a) the thing is taken to have been validly done under Chapter 9; and

- (b) the AEMC is taken to have satisfied a requirement under the Law to apply the national gas objective in relation to the thing.