

APPLICATIONS FOR REVOCATION OF COVERAGE ON CERTAIN PORTIONS OF THE MOOMBA TO SYDNEY GAS PIPELINE SYSTEM

DECISION

I, the Hon Ian Macfarlane, MP, Minister for Industry, Tourism and Resources, being the Relevant Minister for coverage decisions on cross border transmission pipelines under the National Third Party Access Code for Natural Gas Pipeline Systems, make the following decisions in relation to the Applications for Revocation of Coverage of certain portions of the Moomba to Sydney Gas Pipeline System.

19 November 2003

DECISION

My decisions relate to the portions of the Moomba to Sydney Pipeline System comprising the pipelines referred to as:

- the Moomba to Wilton gas transmission pipeline, including compressor stations and other appurtenances. This pipeline is hereinafter described as the **MSP Mainline** and comprises three separate pipeline licences: SA:PL 7 (Moomba to Queensland border); Qld:PPL 21 (South Australia border to NSW border); and NSW:16 (Queensland/NSW border to Wilton).
- the transmission lateral branching off the MSP Mainline at Dalton and running to North Watson in Canberra. This pipeline is hereinafter described as the **Canberra Lateral** and comprises pipeline licence NSW:21.

In accordance with section 1.34 of the National Third Party Access Code for Natural Gas Pipeline Systems (National Gas Code), I have decided that coverage of the Moomba to Wilton gas transmission pipeline (the MSP Mainline) is to be:

- revoked for that part of the MSP Mainline from the exit flange at the Moomba processing facility to immediately upstream of the off-take point of the Central West pipeline at Marsden, New South Wales; and
- retained for that part of the MSP Mainline from the off-take point of the Central West pipeline at Marsden to the Sydney city gate at Wilton, New South Wales.

In accordance with section 1.34 of the National Gas Code, I have decided that coverage of the Dalton to Canberra gas transmission pipeline (the Canberra Lateral) is not revoked.

My decisions comply with the requirements of Section 1.36 in the National Gas Code that I must decide to revoke coverage of the covered pipeline if not satisfied of one of more of those matters in paragraphs (a) to (d) of section 1.9 of the National Gas Code,

but that I may decide to revoke coverage to the extent described, or to a greater or lesser extent than that described, in each application.

These decisions are based on consideration of the final recommendations made by the National Competition Council.

COVERAGE PROCESS

The Moomba to Sydney Gas Pipeline (MSP) System was listed on Schedule A of the National Gas Code and was therefore automatically covered from the commencement of the Code.

On 18 June 2001, the National Competition Council received applications from the owners of the pipeline, East Australian Pipeline Limited, to revoke coverage of certain portions of the Moomba to Sydney Pipeline System, namely the MSP Mainline and the Canberra Lateral.

These applications were made under the following Acts which apply the National Gas Code to gas pipelines in South Australia, NSW, Queensland and the ACT respectively:

Gas Pipelines Access (South Australia) Act 1997 (SA);
Gas Pipelines Access (New South Wales) Act 1998 (NSW);
Gas Pipelines Access (Queensland) Act 1998 (Qld); and
Gas Pipelines Access Act 1998 (ACT).

The National Competition Council released its draft recommendation in December 2001. The Council received 31 submissions and sought further expert advice. I received the Council's final recommendations on 18 November 2002. The final recommendations and the public submissions are available on the Council's website at www.ncc.gov.au.

STATEMENT OF REASONS

The reasons for my decisions, which incorporate an assessment of the National Competition Council's final recommendations, are set out in the attached Statement of Reasons. The coverage criteria have been assessed in the same order that they were provided to me by the National Competition Council, namely Criterion B, followed by Criterion A, C and D.

Consistent with the coverage criteria as set out in paragraphs (a) to (d) of section 1.9 of the National Gas Code, I am satisfied that the whole MSP Mainline continues to meet Criteria A, C and D, and I am satisfied of Criterion B in respect of the MSP Mainline from Marsden to Wilton. I am not satisfied of Criterion B for the MSP Mainline from Moomba to Marsden.

Consistent with the coverage criteria as set out in paragraphs (a) to (d) of section 1.9 of the National Gas Code, I am satisfied that the Canberra Lateral continues to satisfy each of Criteria A, B, C and D and therefore that coverage of the Canberra Lateral should be retained.

DATE OF EFFECT

The decisions to revoke coverage for that part of the MSP Mainline between Moomba and Marsden, to retain coverage for that part of the MSP Mainline between Marsden and Wilton and to retain coverage of the Canberra Lateral have effect from 11 December 2003, being not earlier than 14 days after the date of this decision.

A handwritten signature in blue ink, appearing to read 'Ian Macfarlane', with a stylized, cursive script.

Ian Macfarlane

19 November 2003