



Part 11 User Access Guide

Tasmanian Gas Pipeline

www.tasmaniangaspipeline.com.au

Last Update 22 December 2023

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PART A – BACKGROUND INFORMATION

1 Background

1.1 Introduction

This Guide is the user access guide required under Part 11 of the NGR for the Tasmanian Gas Pipeline (the **Pipeline**), a non-scheme pipeline.

The purpose of this Guide is to assist current or prospective users (each a **User**) to obtain services on the Pipeline.

This Guide is organised follows:

Part A	Background information on the application of this Guide and Part 11 of the NGR
Part B	Process for obtaining pipeline services on the Pipeline
Annexure A	Overview of the Pipeline
Annexure B	<p>Links to the following Access Information as required to be published under Parts 10, and 11 of the NGR, and the Pipeline Information Disclosure Guidelines:</p> <ul style="list-style-type: none"> • Service and access information • Standing terms • Actual prices payable information
Annexure C	<p>Links to the following Access Information as required to be published under rule 22 of Schedule 6 of the NGR:</p> <ul style="list-style-type: none"> • Financial information <p>Please note that TGP is not required to commence publishing financial information, historical demand information and cost allocation methodology under rule 101D of the NGR (and in accordance with the Pipeline Information Disclosure Guidelines) until 30 November 2025.</p>
Annexure D	Glossary

1.2 Application of this Guide

Part 11 of the NGR sets out a process and timeline for access negotiations to services on non-scheme pipelines. This Guide reflects and supplements those requirements. It does not override our obligations under Part 11 of the NGR and to the extent of any inconsistency, Part 11 of the NGR will prevail.

This Guide applies in relation to requests for access to pipeline services on the Pipeline. The services available on the Pipeline are set out in the Pipeline and pipeline service information in Annexure B.

This Guide and Part 11 of the NGR do not apply in the following circumstances:

- requests for variations to an existing contracted service for any part of the current service term. We will negotiate such variations in accordance with the terms of the relevant contract.

However, requests to extend the term of an existing contract or to add a new service to an existing contract are covered by Part 11 and this Guide.

- disputes about a pipeline service provided under an existing contract. Such disputes are governed by the terms of that contract.

1.3 Background on Parts 10, 11 and 12 of the NGR

1.3.1 Objective

Part 11 of the NGR aims at facilitating commercial negotiations between providers of pipeline services and Users. To this end, Parts 10 and 11 of the NGR impose information provision obligations upon service providers, and Part 12 provides commercially-oriented dispute resolution process to resolve access disputes.

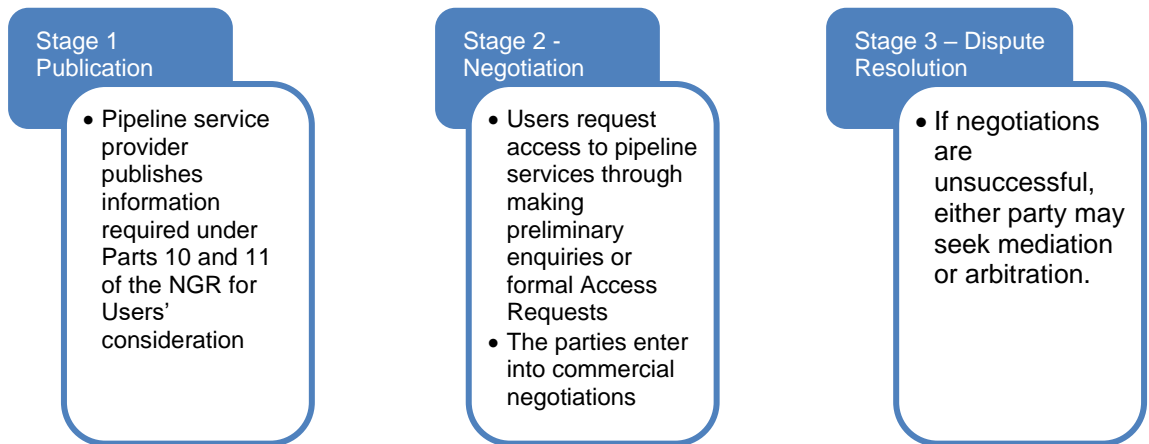
1.3.2 Obligation to publish

A service provider for a non-scheme pipeline is obliged to publish certain information and documents about that pipeline under Parts 10 and 11 of the NGR, including a user access guide, service and access information, standing terms, financial information and weighted average price information. The information listed here can be found at Annexure B (Access Information) of this Guide.

1.3.3 Further information

Please also refer to the AER's Non-Scheme Pipeline Arbitration Guide and Framework flow chart at <https://www.aer.gov.au/networks-pipelines/non-scheme-pipelines/arbitration-of-access-disputes>.

1.4 Parts 10,11 and 12 of the NGR Process at a glance



PART B – REQUESTING SERVICES ON THE PIPELINE

2 Service provider

2.1 Pipeline service provider

The service provider for the Pipeline is Tasmanian Gas Pipeline Pty Ltd (ACN 083 052 019) (TGP).

2.2 Contact details

Please send all enquiries relating to this Guide or access to the Pipeline to:

Name	Darren Giri
Position	General Manager – Commercial and Legal
Address	Level 27, 140 William St, Melbourne, Vic 3000
Telephone	0432 020 632
Email	Darren.Giri@palisadeims.com.au
Attention	TGP Enquiry
Website	www.tasmaniangaspipeline.com.au
Fax Number	03 9044 1130

3 Preliminary enquiries

3.1 Preliminary enquiries

A User is welcome to make a preliminary enquiry for access to pipeline services at any time by contacting the person listed in section 2.1.2.

TGP welcomes preliminary enquiries. Preliminary enquiries and discussions offer a flexible process for additional information exchange and will assist Users in understanding the services available and the framing of an access request, as well as allowing TGP to frame a more tailored offer.

TGP will respond to a preliminary enquiry within 10 Business Days after receiving the enquiry, stating whether TGP can provide access to the pipeline services referred to in the enquiry, or whether TGP needs to carry out further investigations, and when TGP will provide an offer.

3.2 Further investigations on the basis of preliminary enquiries

Upon your request, we must conduct further investigations on the basis of preliminary enquiries. Depending on the nature of your enquiry, we may also recommend further investigations be undertaken. Generally, the purpose of such investigations will be to determine whether your requirements can be met and thus assist in making a formal Access Request.

If further investigations are necessary, we will provide and seek to agree with you:

- the scope of the further investigations,
- the timelines for conducting the further investigations, and

- the costs for conducting such further investigations (if appropriate). For example, if engineering or technical studies are required, we may require you to pay the costs of such work.

4 Access Request

4.1 Making an Access Request

You may request us to provide access to pipeline service by making a formal Access Request under rule 105D of the NGR at any time.

A formal Access Request must:

- be in writing;
- be addressed to the person in section 2.1.2;
- specify that it is a formal Access Request under rule 105D of the NGR; and
- include information reasonably required for us to prepare an Access Offer, or to determine whether we need to undertake further investigations in relation to the Access Request, including the information specified below.

We encourage you to make it clear to us whether you are making a preliminary enquiry or a formal Access Request. If a request does not specify that it is a formal Access Request under rule 105D of the NGR, we may treat the request as a preliminary enquiry.

You should provide the following information when making a formal Access Request (as applicable):

Entity Details

- ACN and other incorporation details of the entity seeking the pipeline services and who will be the contracting entity
- if the entity is a special purpose vehicle or a new entity, details of the parent group and description of its business
- information relating to contracting entity's credit worthiness
- User primary contact detail

Service Requested

- each of the pipeline services required
- quantities of each pipeline service required
- receipt and delivery points and quantities required at those points
- start date and end date for each service
- technical details / other information relating to a new interconnection to the pipeline, including:
 - delivery pressure; and
 - operational usage profile

Other Information

- reason for the pricing request
- downstream gas usage
- specific requests for TGP consideration

You are encouraged to make a formal Access Request by contacting us.

4.2 Acknowledging Access Request and Incomplete Access Requests

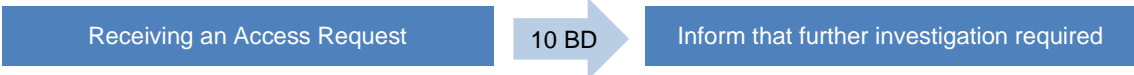


When we receive an Access Request, we will respond within 5 Business Days (BD) to acknowledge receipt of the access request.

If we require further information because an Access Request is incomplete, we will inform you of this and specify the information required in the acknowledgement of receipt.

You are not required to provide the requested information within a set timeframe. However, please keep in mind that the time taken may impact on the provision of our Access Offer.

4.3 Conducting further investigations



It may be the case that we need to conduct further investigations before making an Access Offer. If this is the case, we will inform you of this within 10 Business Days after receiving the Access Request or, in the case of an incomplete request, the provision of further information.

We will negotiate with you in good faith about the terms and conditions on which further investigations will be carried out, including the following matters:

- if required, any reasonable extension to the applicable time period allowed under the Rules for the Access Offer to be made; and
- if required, the basis for determining reasonable costs of the further investigations to be paid by you.

We will only undertake further investigations in relation to an Access Request if it is reasonably necessary. Any further investigations will be carried out expeditiously.

4.4 Amending an Access Request

You may amend the details of your Access Request with our consent. We will not unreasonably withhold consent but may give consent to your request for amendment subject to reaching an agreement on a reasonable extension to the period for making an Access Offer in response to the amended Access Request.

5 Access Offers

5.1 When we will make an Access Offer



Unless one of the following circumstances apply, we will make an Access Offer within 20 Business Days after receiving the Access Request.

If the Access Request is incomplete, we will make an Access Offer within 20 Business Days of the provision of the further information requested of you.

If we need to undertake further investigations, we will make an Access Offer within 60 Business Days after receiving the Access Request (or in the case of an incomplete request, after receiving the further information requested), unless we have agreed a different timeframe with you.

5.2 Content of an Access Offer

An Access Offer will:	set out the price and other terms and conditions on which we offer to make the requested pipeline services available to you;
	include detail of any works to be undertaken by you and us, and any applicable technical and performance specifications; and
	be in a form capable of acceptance by you so as to constitute a new access contract or form part of an existing access contract.

We may include appropriate conditions precedent in our Access Offer and a reasonable timeframe for acceptance.

5.3 When we are not required to make an Access Offer

We are not required to make an Access Offer under the following circumstances:

- if the Access Request has been withdrawn;
- if we have concluded, after having used all reasonable efforts to accommodate your reasonable requirements, that it is not technically feasible or consistent with the safe and reliable operation of the pipeline to provide the requested pipeline service;
- if the provision of the pipeline service requested would require the extension of the pipeline.

If we are unable to make an Access Offer due to technical infeasibility, we will give you:

- written reasons explaining why the requested service cannot be provided; and
- if there is some prospect that the requested service will become possible to provide at some time in the future, details of when the service would likely become available.

6 Negotiations

6.1 Parties to negotiate in good faith

Pursuant to s148D of the NGL, service providers and Users are obliged to negotiate in good faith.

If a User is not negotiating in good faith, we reserve the right to terminate negotiations.

6.2 Requesting negotiations

If you have made a valid Access Request for a pipeline service, you may (by notice to the person identified in section 2.1.2) request negotiation under Part 11 of the NGR in relation to any aspect of access to a pipeline service, including:

- whether access can be granted; and
- the price and other terms and conditions of an Access Offer.

You may seek clarity in relation to the Access Offer without commencing the formal negotiation process but you are encouraged to be clear if that is your intention.

6.3 Other parties relevant to the negotiations

If you give notice requesting negotiations, both parties (i.e. you and we) must use reasonable endeavours to identify other persons who may become a party to an access dispute relating to the pipeline service the subject of the negotiations. Either party may agree to include such other parties to the negotiations.

7 Exchange of information during negotiations

7.1 Overview

Should an access dispute arise, rule 105G of the NGR provides a process by which the information exchanged by the parties during negotiations will form the basis of an arbitration “on the papers”. There are two types of information contemplated by rule 105G of the NGR:

<p>Access Offer Information</p>	<p>Access Offer Information includes:</p> <ul style="list-style-type: none"> information regarding the costs associated with the provision of the pipeline services sought; information about the method used to determine the prices in the Access Offer; and the inputs used in the calculation of prices.
<p>Access Negotiation Information</p>	<p>Access Negotiation Information is information that the other party may seek to rely on for the determination of an access dispute in relation to the subject matter of the negotiations, including expert and consultant reports, data sets, reports, and models. It includes Access Offer Information</p>

Each party to the negotiation must, in requesting or providing Access Negotiation Information, do so in a manner and at a time consistent with the duty to negotiate in good faith.

7.2 You may request Access Offer Information



If you are negotiating with us under Part 11 of the NGR, you may from time to time request from us Access Offer Information in relation to any aspect of the matters being negotiated. This is to be done by giving notice to the contact person identified in section 2.1.2.

We will comply with the request for Access Offer Information within 15 Business Days of the notice, or any longer period agreed with you.

The Access Offer Information we provide will be:

- relevant to the subject matter of the request;
- provided in a readily readable form (where requested, we will provide the Access Offer Information in electronic file format and attaching underlying data files and inputs); and
- compliant with Part 11 of the NGR access information standard.

7.3 Either party may request Access Negotiation Information



A party must comply with the request for Access Negotiation Information within 15 Business Days of the notice, or any longer period agreed with you.

A party may:

- from time to time (and by notice), request another party to the negotiation to provide Access Negotiation Information of the other party that the other party is seeking to rely on in relation to a specific matter arising in the negotiations;

- during the course of the negotiations (by notice), request the other party to the negotiations to provide all Access Negotiation Information of the other party.

7.4 Exceptions

A party is not required to provide information which would be subject to legal professional privilege or would breach third party confidentiality.

8 Dispute resolution

8.1 Arbitration or mediation

Pursuant to s159 of the NGL, Users have the right to refer an access dispute to arbitration.

[Pursuant to s156 of the NGL, if a small shipper (under the definition in s8AB of the NGL) is a party to an access dispute, they may elect for the dispute to be resolved by mediation].

This Guide does not cover the arbitration or mediation process. Please refer to the AER's Non-Scheme Pipeline Arbitration Guide at <https://www.aer.gov.au/about/aer/dispute-resolution/gas-pipeline-access-disputes>.

8.2 Before issuing an access dispute notice

A party must give notice requesting all Access Negotiation Information of the other party at least 15 Business Days prior to issuing an access dispute notice.

9 Confidentiality

Service providers and Users must keep confidential any non-public information provided by one party to the other during negotiations (rule 105F(8) and (9) of the NGR).

There are certain limited exceptions where a party may disclose confidential information (see rule 105F(8) of the NGR):

- to the AER in an access dispute notice;
- to the arbitrator or mediator in the course of an arbitration or mediation;
- with the consent of the other party;
- to a professional or other adviser of the party who agrees with the party to maintain the confidentiality of the confidential information;
- if it is required by, or necessary for the purposes of, these Rules or the NGL;
- if the disclosure is in accordance with an order made or a subpoena issued by a court of competent jurisdiction; or
- if the disclosure is authorised or required by a law of a participating jurisdiction or required by a competent regulatory body, and the person making the disclosure gives written details of the disclosure (including an explanation of the reasons for the disclosure) to the other party.

All information provided by us during negotiations should be treated as confidential, with the exception that the information is already in the public domain. We reserve the right to require confidentiality agreements be put in place.

10 Interconnection policy

10.1 Prospective User Inquiry

TGP welcomes enquiries to connect to the Pipeline for the purposes of either gas injection (receipt) or gas delivery.

10.2 Right to Interconnect

- (a) Under rule 37 of the NGR, a person has a right to connect to a pipeline where:
 - (i) it is technically feasible and consistent with the safe and reliable operation of the pipeline; and
 - (ii) the person agrees to fund the costs associated with making the interconnection.
- (b) Under rule 38(1) of the NGR, the party seeking to establish the interconnection (the **interconnecting party**) has, subject to rule 37, the option to:
 - (i) construct, operate and maintain the interconnection at its own cost (**option A**); or
 - (ii) have the existing service provider do so (**option B**); or
 - (iii) proceed with a combination of option A and option B if both the interconnecting party and the existing service provider:
 - (A) will own equipment or infrastructure associated with the interconnection; or
 - (B) agree to share the costs and responsibilities associated with the interconnection.

10.3 Process Overview

Set out below is a high-level overview of TGP's interconnection policy.

10.3.1 Prospective User submits an initial enquiry (Initial Enquiry)

- (a) In the first instance TGP encourages a prospective User to make contact with TGP (see contact details in 2.2) to discuss the potential connection and the prospective User's objectives in connecting to the Pipeline.
- (b) To assist with the review of the connection enquiry, the prospective User must provide the following information:
 - (i) Connection location(s), including maps;
 - (ii) Capacity of required connection and if it is a delivery and/or receipt point;
 - (iii) Source of gas supply or demand including pressure and quality requirements;
 - (iv) Expected requirements for capital infrastructure;
 - (v) Preferred funding arrangements.

10.3.2 TGP Initial Response

TGP will use reasonable endeavours to respond to the initial enquiry within 30 Business Days of receiving the Initial Enquiry (**TGP Initial Response**). The TGP Initial Response will be

based on a high level desktop review of requirements and will consider the following at a conceptual/screening level:

- (a) The technical feasibility of connecting at the desired point on the Pipeline;
- (b) Potential safety or operations issues impacting the operation of the Pipeline;
- (c) The requirement for compression and/or let down facilities;
- (d) The availability of pipeline services and capacity to be used in conjunction with the connection;
- (e) Options for investment in any capital infrastructure, including any potential for TGP to fund the connection;
- (f) Options for operating and maintaining the infrastructure;
- (g) Details of further information that TGP requires from the prospective User or any third parties, including in relation to further technical studies that may need to be undertaken to confirm the feasibility of the connection. This will also include an estimate of cost and time required to undertake further studies.

10.3.3 Memorandum of Understanding

- (a) The parties will engage in good faith and discuss the points raised in the Initial Request and the TGP Initial Response. Subject to the prospective User wishing to proceed based on TGP's initial feedback, the parties, in good faith, will negotiate the terms of a Memorandum of Understanding (**MOU**) to govern the development, funding, and construction of the proposed connection.
- (b) The MOU will address:
 - (i) The funding and cost recovery methodology. Funding options for the proposed connection will include (but may not be limited to):
 - (A) TGP may, at its election, fund the capital cost up front. TGP's standard funding structure is to recover the capital cost plus a reasonable rate of return over ten years (monthly payments) but this may vary depending on the size, structure, and risk profile of the investment. In any event, the interconnection fee that it charges to the interconnecting party will be based on the directly attributable cost of constructing, operating and maintaining the interconnection to the extent that this is undertaken by the service provider, including so as to achieve a rate of return calculated in accordance with a commercial rate of return that reflects the pricing principles set out in rule 113Z(4);
 - (B) The User may fund the connection. In this case, the User only pays operating costs to TGP during the life of the asset;
 - (C) A combination of (A) and (B) above;
 - (D) Costs incurred prior to FID will be funded by the User;
 - (E) Operations costs to be paid by the User during the life of the asset.
 - (ii) Ownership of facility
 - (A) The MOU will define the battery limits for responsibility for the connection project;
 - (B) Unless otherwise agreed, TGP will own and be responsible for the development and construction of works directly connected to the

pipeline. For example the injection pipeline [and metering] at an injection point and the delivery pipeline and let down station (including heating) at a delivery point;

- (C) Capital infrastructure beyond the immediate pipeline connection area may either be owned by the User or TGP.
- (iii) Agreement of roles in development and construction phases
 - (A) TGP will be responsible for that part of the project agreed to be within its battery limits, noting 10.3.3(b)(ii)(B) above as a minimum.
- (c) Project Development
 - (i) The battery limits of the project defined in the MOU under 10.3.3(b)(ii) will form the project to be managed by TGP;
 - (ii) TGP will prepare a project plan, define the work packages and seek quotes from contractors;
 - (iii) The parties will seek to agree on the contractors, but at a minimum they must meet certain reasonable requirements set by TGP;
 - (iv) Costs of the project will include, but not be limited to:
 - (A) Engineering (Concept, FEED, detailed design);
 - (B) Equipment supply, installation/construction and integration with existing TGP systems;
 - (C) Required spares and consumables;
 - (D) Third party service providers;
 - (E) Project Management;
 - (F) Any internal TGP costs at an agreed rate;
 - (G) Regulatory, approvals and legal as required.
 - (v) Subject to agreement by the parties on the costs and work packages, TGP will negotiate contracts with suppliers.

10.3.4 Gas Transportation Agreement / Connection Agreement

- (a) TGP does not presently have a standard Connection Agreement because there has not been a new interconnection to the Pipeline since 2011. Accordingly, to the extent that there is a request for a new interconnection, TGP proposes to either incorporate the terms and conditions relating to that interconnection into the GTA with the prospective User or, if necessary, to negotiate and agree a standalone connection agreement at that time. These terms will relate to:
 - (i) Requirements for final investment decision (FID);
 - (ii) Required credit support;
 - (iii) Management of the construction project;
 - (iv) Interfaces with User assets;
 - (v) Commissioning;
 - (vi) Recovery of capital costs by TGP; and

- (vii) Operations costs.
- (b) Construction
 - (i) Unless otherwise agreed, TGP will manage construction project(s) and provide regular updates to the User;
 - (ii) TGP's and the User's obligations will be set out in the GTA.
- (c) Commissioning
 - (i) The GTA will define the commissioning process for the interconnection facility;
 - (ii) The User and TGP will work together in good faith to ensure a smooth and timely commissioning process.
- (d) Operations
 - (i) TGP will be responsible for the operation of the facility in accordance with GEOP;
 - (ii) TGP will invoice the User in line with the GTA.

10.3.5 TGP's key policies

A prospective User should, before submitting an Initial Enquiry, request copies of, and make itself familiar with, the following policies that may be relevant to establishing an interconnection to the pipeline:

- Work Health and Safety Policy PQMS-WHS-PH-001
- Environmental Policy PQMS-ESG-PH-002
- ESG Policy PQMS-ESG-PH-003
- Risk Management Policy PQMS-RMT-PH-001
- Asset Management Policy PQMS-AMT-PH-001
- Cyber Security Policy – PQSM-SEC-PH-001

Copies of these policies are available on request.

Annexure A: Pipeline Overview

1 Tasmanian Gas Pipeline

Commissioned in 2002, the Pipeline is the only pipeline supplying natural gas to Tasmania. It transports natural gas from Longford in Victoria, under Bass Strait, to Bell Bay in Tasmania supplying gas to both industry and townships in the state.

The Pipeline is a part of a network of underground high-pressure gas pipes, which stretches over 20,000km and serves all of Australia's states and territories. It comprises an onshore section and an offshore section. Further information on the Pipeline can be found at: <https://www.tasmaniangaspipeline.com.au/pipeline/>.

2 TGP Transfer Services

The Eastern Gas Pipeline ("EGP"), owned by Jemena, compresses all gas transported on the Pipeline at the Tasmanian Gas Pipeline interconnection point. Shippers injecting into the Tasmanian Gas Pipeline interconnection point require a standard EGP transportation agreement, available through obtaining a referral from us. Please contact the person listed in section 2.1.2 to discuss obtaining a referral. Further information on the EGP can be found at:

<http://jemena.com.au/industry/pipelines/eastern-gas-pipeline>

3 Natural Gas Storage

TGP has constructed a transfer station, connecting the Tasmanian Gas Pipeline to the Longford to Melbourne Pipeline creating a new Victorian Transmission System injection point to facilitate the offering of a High Priority Storage Service.

This allows gas to be injected from our storage service into the Victorian Transmission System at rates up to 120TJ per day, and 5 TJ per hour.

Annexure B: Access Information

As required by Part 10 of the NGR, TGP publishes access information as listed below.

1 Pipeline, pipeline service, service usage and service availability information

- Pipeline information (rule 101B(2));
- Pipeline service information (rule 101B(3));
- Service usage information (rule 101B(4)); and
- Service availability information (rule 101B(5)).

This information can be accessed by [clicking here](#)

2 Standing terms (rule 101C)

The Gas Transportation Agreement (GTA) containing the standing terms applicable to services on the Pipeline can be found by [clicking here](#)

3 Standing prices and the methodology and inputs used to calculate standing prices (rule 101C)

TGP's standing price for Firm Forward Haulage Transportation is as follows for a 4 year term:

- Zone 1: \$1.3019 /GJ in 2023 Dollars
- Zone 2: \$2.7506 /GJ in 2023 Dollars

TGP's standing price for High Priority Storage is as follows:

- \$84.0573/GJ/ annum in 2023 Dollars

TGP's standing price for VTS As Available Backhaul is as follows:

- \$0.0844/GJ transported in 2023 Dollars

TGP's standing tariffs will be escalated annually. Counterparty creditworthiness and term will also come into consideration in relation to the application of these prices to a particular User.

3.1 Methodology - Transportation Services

All Tariffs and pricing are expressed in 1 January 2023 dollars.

In 2018, the provision of Firm Forward (FF) haul services to Zone 1 and Zone 2 services were subject to an arbitration with a final access determination being made on 12 April 2018. Please refer to AER website <https://www.aer.gov.au/communication/aer-publishes-required-information-for-tasmanian-gas-pipeline-access-determination> for more detail.

Under that arbitration, the arbitrator used a cost-based methodology. The arbitrator determined an asset value for provision of haulage services of \$163.2 million using a "Modified Depreciated Actual Cost" approach. Modified Depreciated Actual Cost represents an indexed Depreciated Actual Cost adjusted downwards to reflect the value of the assets which are used in the provision of transport services by the Pipeline and excludes the value of the assets used in the provision of separate services such as High Priority Storage Services. The Modified DAC was estimated using historical data on initial construction costs, the amount of capital expenditure since commissioning and the amount of depreciation (on a

straight-line basis) recovered since commissioning. There were no pipeline assets disposed since commissioning.

Under the cost-based methodology, a revenue requirement for firm forward haulage services is determined by:

- (a) Reference to the asset base of \$163.2 million which represents an arbitrated allocation of assets having regard to the pipeline capacity required to meet the requirements of the foundation contracts that underpinned the development of the pipeline – this is rolled forward to 1 January 2023 by adjusting for depreciation, capital expenditure and inflation.
- (b) Applying a commercial rate of return to that asset base to produce a return on capital, which is configured using a ‘vanilla’ post-tax nominal Weighted Average Cost of Capital.
- (c) Return of assets (i.e. Depreciation), which is the sum of:
 - (i) Straight-line depreciation of the opening asset value as at 1 January 2023;
 - (ii) Straight-line depreciation of the capital expenditure incurred in the financial year 2022-2023 (i.e. based on standard asset lives, depending on the asset category);
 - (iii) Minus the inflation on opening asset value (i.e. equivalent to regulatory depreciation).
- (d) Making an allowance for the forecast operating, capital and maintenance costs of keeping the assets in service as adjusted by the arbitrator.
- (e) Making an allowance for the ‘cost’ of tax, based on the approach adopted by the AER to calculate efficient benchmark tax liabilities in the Post-Tax Revenue Model.

Under this approach, during commercial negotiations, tariffs were determined for FF services for Zone 1 and Zone 2 (in 2023 dollars) to recover relevant TGP costs. This was based on the following:

- (a) Subtracting currently and expected future contracted revenues from the revenue requirement to derive the target tariff revenue to be recovered
- (b) The target tariff revenue to be recovered in the financial year was then divided by forecast firm forward capacity (in GJ) excluding the contracted volumes referred to in the preceding bullet point to estimate a firm forward tariff (in \$ per GJ / day)
- (c) The final tariffs for FF services were expressed in dollars per gigajoule (GJ) per day.
- (d) TGP’s standing tariffs will be escalated annually. Counterparty creditworthiness and term will also come into consideration in relation to the application of these prices to a particular User.
- (e) However, if over time there are material changes to the inputs to the methodology discussed above, then TGP reserves the right to recalculate the tariffs.

3.1.1 High Priority Storage

TGP markets firm storage services using pipeline capacity not utilised by Firm Forward services. Our standing tariffs for the High Priority Storage have been set by reference to a Request for Proposal (RFP) process and contracts entered into for those services, the availability of competing alternatives and the opportunity cost of providing High Priority Storage in place of Firm Forward services.

There are a number of methodologies that can be used to derive a price for firm storage. TGP's published firm storage tariff is \$0.2303/GJ (\$84.0573 GJ/annum), which was derived based on the following factors:

- (a) Minimum price required to justify sterilizing Firm Forward capacity - using the pipeline for storage restricts the capacity available for the provision of firm forward services. The trade-off between storage services capacity and firm forward capacity varies depending on the contracted level of firm forward capacity. The ratio is approximately 1.5:1 at high levels of firm forward but drops to below 1:1 at low levels. For every 1.5GJs of High Priority Storage contracted, this sterilizes 1GJ of firm forward capacity. Using the Zone 2 price of \$2.7506/GJ, the equivalent price of firm storage would be \$1.8337/GJ. Using the Zone 1 price of \$1.3019/GJ the equivalent price would be \$0.8679/GJ.
- (b) Customers' willingness to pay - storage is an ancillary service which competes with a variety of other services, and the willingness to pay for storage tends to be relatively low compared to, in particular, Firm Forward services.
- (c) Comparison with alternative gas storage services – EGP, MSP, Iona, Dandenong LNG taking into account receipt, storage and delivery capacities and requirement for separate firm forward services.

All firm capacity is now contracted. Additional capacity is available from January 2026.

3.1.2 CBL Auction Services

As all firm storage capacity is currently contracted until 31 December 2025, TGP makes available to Users on a short term, interruptible basis, a certain quantity of contracted storage capacity that is not being utilised by existing shippers. Users may access this capacity by:

- (a) Entering into TGP's auction products GTA, which is available on request;
- (b) Registering with CBL for the TGP auction services;
- (c) Participating in a weekly auction held at 11am each Friday.

The auction services also includes interruptible transportation capacity to enable a User to receipt gas onto the pipeline and deliver gas into the VTS.

The tariff for the service is set by the auction process and is subject to a minimum price which may change from week to week.

3.1.3 VTS As Available BackHaul

As part of TGP's TasHub connection (which connects the TGP to the Victorian Transmission System (VTS) at Longford, Victoria, TGP makes available an As Available Backhaul service which allows Users to transport gas from the VTS onto the TGP subject to the following conditions:

- (a) Users registering with AEMO for the withdrawal point in the DWGM;
- (b) A sufficient quantity of gas that is physically being injected into the VTS on the day that can be offset via the backhaul service;
- (c) Users being scheduled by AEMO to withdraw gas at TasHub on that day.

4 Actual prices payable information (rule 101E)

The actual prices payable information as published by TGP can be accessed by clicking [here](#).

Annexure C: Financial information

Please note that TGP is not required to commence publishing financial information, historical demand information and cost allocation methodology under rule 101D (and in accordance with the Pipeline Information Disclosure Guidelines) until 30 November 2025.

As required by rule 22 of Schedule 6 of the NGR, TGP publishes access information as listed below.

1 Financial information (rule 555 NGR version 67)

The financial information as published by TGP can be accessed by clicking [here](#)

Annexure D: Glossary

Unless otherwise indicated, the following terms in this Guide have the meanings set out below:

Term	Definition
Access Offer	an offer in response to an Access Request under rule 105D of the NGR
Access Request	a formal access request under rule 105D of the NGR
AER	Australian Energy Regulator
Business Day	a day that is not a Saturday, Sunday or public holiday in any participating jurisdiction of Part 11 of the NGR
EGP	Eastern Gas Pipeline
Guide	Tasmanian Gas Pipeline user access guide
NGL	National Gas Law
NGR	National Gas Rules
Pipeline	Tasmanian Gas Pipeline
Pipeline Information Disclosure Guidelines	Pipeline information disclosure guidelines and Price reporting guidelines for Part 18A facilities dated October 2023
Service Provider	Tasmanian Gas Pipeline Pty Ltd
TGP	Tasmanian Gas Pipeline Pty Ltd