

# User Access Guide

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## MAPS and SEPS

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# 1. Introduction

## Background

On 1 August 2017, the *National Gas (Pipeline Access-Arbitration) Amendment Rule 2017 (SA) (Amendment Rule)* was made pursuant to section 294F(1) of the National Gas Law (**NGL**), which is the Schedule to the *National Gas (South Australia) Act 2008 (SA)*.

The Amendment Rule amended the National Gas Rules (**NGR**) by, among other changes, inserting a new Part 23 ('Access to non-scheme pipelines') into the NGR. The objectives of the new Part 23 of the NGR include facilitating access to pipeline services on non-scheme pipelines by requiring the publication and exchange of information and introducing an arbitration process to resolve access disputes.

Rule 558(1) of the NGR (inserted as part of the new Part 23) requires a service provider of a non-scheme pipeline to develop, maintain and publish on its website a user access guide that contains certain prescribed information in relation to the non-scheme pipeline.

Epic Energy is the service provider for two non-scheme pipelines: the Moomba to Adelaide Pipeline System (**MAPS**) and the South East Pipeline System (**SEPS**).

Epic Energy is committed to ensuring it can safely and reliably meet customer needs for gas transportation, and to ensuring it provides services that meet the commercial needs of prospective users.

If prospective users are interested in acquiring gas transportation services from Epic Energy on either the MAPS or SEPS they can either contact Epic Energy's Manager, Commercial to discuss their transportation service requirements in an informal negotiation process or they can commence a formal access request as part of the new Part 23 formal access request process explained further in this User Access Guide.

## Purpose

This User Access Guide is published by Epic Energy for MAPS and SEPS pursuant to rule 558(1) of the NGR. Under the NGR this user access guide must:

- Identify the service provider for the non-scheme pipeline;
- Identify the person responsible for receiving preliminary enquiries and access requests;
- Describe the process for making an access request;
- Document the information to be included in the access request;
- Describe how confidential information will be treated;

- Describe the arrangements for undertaking further investigations;
- Describe the process for preparing an access offer;
- Describe the process for requesting negotiations and information in regard to an access offer; and
- Include a statement about the right to refer an access dispute to arbitration under section 216J of the NGL.

## Scope

This User Access Guide relates to access to services on MAPS and SEPS under Part 23 of the NGR. However, much of the information provided is also useful for those choosing to engage with Epic Energy outside of that formal process.

## Overview

This User Access Guide is set out in seven sections:

- **Section 1** (Introduction) sets out the background to, and an overview of, this User Access Guide including contact details;
- **Section 2** (MAPS) sets out an overview of MAPS;
- **Section 3** (SEPS) sets out an overview of SEPS;
- **Section 4** (Access Requests) sets out the procedures for a prospective user to make an access request (including the ability to request further investigations by Epic Energy);
- **Section 5** (Further investigations) sets out the procedures for Epic Energy to undertake further investigations in relation to a preliminary enquiry or access request;
- **Section 6** (Access Offer) sets out the pipeline service requirements and processes for Epic Energy to make, and for the prospective user to respond to, an offer in relation to access to a MAPS or SEPS service; and
- **Section 7** (Negotiations) sets out the processes for initiating, undertaking and ending negotiations between a prospective user and Epic Energy in relation to access to a MAPS or SEPS service.

## Definitions

| Acronym/Term          | Meaning/definition   |
|-----------------------|--|
| <b>Access Dispute</b> | A dispute between a prospective user and Epic Energy in relation to one or more aspects of access to a MAPS or SEPS service. |
| <b>AEMC</b>           | Australian Energy Market Commission  |
| <b>AER</b>            | Australian Energy Regulator  |
| <b>Epic Energy</b>    | Epic Energy South Australia Pty Limited  |
| <b>GTA</b>            | Gas Transportation Agreement   |
| <b>MAPS</b>           | Moomba to Adelaide Pipeline System   |
| <b>NGL</b>            | National Gas Law, which is the Schedule to the <i>National Gas (South Australia) Act 2008 (SA)</i>                           |
| <b>NGR</b>            | National Gas Rules (see the AEMC's website for latest version)   |
| <b>SEPS</b>           | South East Pipeline System   |

## Contact Details

For any queries about this User Access Guide or to request access to either the MAPS or SEPS, please contact:

Paul Williamson - Manager, Commercial

Phone: (08) 8343 8122 Fax: (08) 8349 6493.

Email: [commercial@epic.com.au](mailto:commercial@epic.com.au)

Street Address: Level 8, 1 King William Street, Adelaide, 5000.

Website: [www.epicenergy.com.au](http://www.epicenergy.com.au)

## 2. MAPS

### Overview

MAPS is one of Australia's largest pipeline systems at over 1,100 kilometres in length. MAPS receives supply from all major Eastern Australia gas supply basins, including the Cooper Basin production and processing facilities at Moomba, the coal seam gas fields of south east Queensland via the South West Queensland Pipeline and Victorian gas supply basins via a connection to the SEAGas pipeline.

### Pipeline System/Description

MAPS features:

- A 781 kilometre bi-directional mainline pipeline between Moomba to Adelaide;
- 326 km of pipeline laterals, including a 77.8 km pipeline lateral from the mainline to Port Pirie and Whyalla and a 38.7 km lateral from the mainline to Angaston; and
- 9 compressor stations, 6 operational, 3 decommissioned.

A map of MAPS is provided as part of the Pipeline Information on Epic Energy's website along with a list of receipt and delivery points. The current nameplate capacity and capacity that is available for sale is also included in the Pipeline Information.

### Services

Subject to available pipeline capacity, Epic Energy offers the following standard pipeline services on MAPS:

- Firm Service – the Standard Pipeline Service Offer is based on a prospective user contracting an MDQ of 10TJ/day for a 5 year term on Epic Energy's standard terms and conditions as provided in the MAPS GTA found on Epic Energy's website. The firm service may be either Southern Haul, Northern Haul or bi-directional;
- Interruptible Service – due to operational and financial considerations a prospective user must have a Firm Service (unless otherwise agreed with Epic Energy) to contract an Interruptible Service. An Interruptible Service will be limited to a maximum of 50% of a user's Firm Service MDQ; and
- Park Service – a prospective user must have a Firm Service (unless otherwise agreed with Epic Energy) in order to contract for a Park Service.

The MAPS also provides service users with the ability to imbalance and in-pipe trade with other service users.

The MAPS is also able to provide more flexible or customized services to meet the needs of customers. The availability and pricing of these services is assessed as customer requirements are understood, due to their bespoke nature.

### Priority of Services

Please refer to MAPS Standard GTA.

## 3. SEPS

### Overview

SEPS is a 82km long pipeline system connecting the SEAGas pipeline to Snuggery and Mouth Gambier in south eastern South Australia.

### Pipeline System/Description

SEPS features:

- A 82km pipeline comprising two mainline pipelines (Katnook to Snuggery and Glencoe to Mount Gambier) and two lateral pipelines (Katnook to Penola and Kalangadoo to Nangwarry).

A map of SEPS is provided as part of the Pipeline Information on Epic Energy's website along with a list of receipt and delivery points.

Average daily injections of natural gas into the SEPS are less than 10TJ/day so the AER has granted an exemption from certain information requirements as set out in Part 23.

### Services

Epic Energy offers the following services on SEPS:

- Firm Service; and
- Interruptible Service – due to operational and financial considerations a prospective user must have a Firm Service (unless otherwise agreed with Epic Energy) to contract an Interruptible Service. An Interruptible Service will be limited to a maximum of 50% of a user's Firm Service MDQ.

### Priority of Services

#### *Order of Priority*

If on any Day there is insufficient Capacity to satisfy all Gas nominated by Users or scheduled by Service Provider for Users on a Day, then Service Provider will schedule Gas deliveries in the following priority (or curtail Gas deliveries in the opposite order):

(a) Firm Service

(b) Interruptible Service

## 4. Access Requests

Prospective users interested in acquiring gas transportation services from Epic Energy on either the MAPS or SEPS, can do so using one of three options available:

1. Contact Epic Energy's Manager, Commercial via the contact details outlined in Section 1 in this User Access Guide, to commence informal discussions on the prospective user's transportation service requirements; or
2. Complete and submit to Epic Energy via the contact details outlined in Section 1 in this User Access Guide, a Preliminary Enquiry Form to commence discussions on the prospective user's transportation service requirements; or
3. Prepare and submit a formal Access Request Form via the contact details outlined in Section 1 in this User Access Guide as part of the new Part 23 Access Request process.

Further details are provided below.

### Informal Access Request

Epic Energy is committed to working collaboratively with its existing and prospective users in understanding their gas transportation service requirements and, where able, developing services that best meet those requirements. Epic Energy encourages prospective users to contact Epic Energy's Manager, Commercial in the first instance with their access and transportation service enquiries.

### Preliminary Enquiries

A prospective user may make a Preliminary Enquiry about access to, and availability of, services on MAPS or SEPS under Part 23 of the NGR at any time. To do so, the prospective user must complete Epic Energy's Preliminary Enquiry Form. A copy of the Preliminary Enquiry Form is available on Epic Energy's website.

Epic Energy will review the Preliminary Enquiry and respond to the prospective user as soon as practicable via email or phone. Epic Energy will notify the prospective user if further investigations are required in response to a Preliminary Enquiry. The prospective user may request that Epic Energy undertake further investigations on the basis of the Preliminary Enquiry before the prospective user makes an Access Request. Further investigations are detailed at section 5 below.

A prospective user is not required to make a Preliminary Enquiry before making an Access Request.



## Part 23 Formal Access Request

### *How to make a Formal Access Request*

A prospective user may make a formal Access Request for services on MAPS or SEPS under Part 23 of the NGR at any time. To do so, the prospective user must complete Epic Energy's Access Request Form available on Epic Energy's website. The Access Request Form requires the prospective user to input specific information on the prospective user and their gas transportation and usage requirements. Information requested in the Access Request Form includes:

- customer and pipeline access details;
- the reason for the request including services required, date of service, term of contract and receipt/delivery points;
- the nature of load and load profile (if known);
- flow rates including maximum daily and hourly quantities, average and future flows including peak daily flow, temperature, required delivery pressure and gas specification;
- if a new receipt or delivery point is required, particulars including gas custody transfer point, operational days per year, seasonal/shutdown periods, control signals required, pipeline/station access restrictions and land area/ownership restrictions; and
- the appropriate credit support.

If prospective users have any queries about the Access Request Form or providing any of the information listed on the form they are encouraged to contact Epic Energy to discuss.

### *Amendment of access request*

A prospective user may amend the details of an Access Request Form with Epic Energy's consent. To do so, the prospective user should provide Epic Energy with an amended Access Request Form noting that this is an amendment of an earlier Access Request.

### *Receipt of Access Request*

Epic Energy will confirm by email or mail once an Access Request has been received noting the date and time the Access Request Form was received.

Epic Energy will review the submitted Access Request Form and notify the prospective user within 5 business days if further information is required from the prospective user to complete the access request. If further information is required, Epic Energy will discuss what information is required and request the prospective user to resubmit the Access Request Form.

The date and time of the Access Request Form being received by Epic Energy will be the date and time that the last complete and valid Access Request Form is received by Epic Energy.

### ***Further investigations***

Epic Energy will contact the prospective user via email or mail, on the contact details provided by the prospective user, within 10 business days of receipt of the complete and valid Access Request Form if Epic Energy needs to undertake further investigations in relation to the prospective user's access request. Further investigations are discussed in detail in section 5 below.

### **Confidentiality**

When submitting a Preliminary Enquiry Form or an Access Request Form, prospective users will also need to sign and submit a copy of Epic Energy's Confidentiality Agreement. The Confidentiality Agreement sets out how confidential information will be treated between the parties. A copy of the Confidentiality Agreement can be found on Epic Energy's website.

Except for information already in the public domain at the time it was received by Epic Energy, Epic Energy will:

- treat all information received from a prospective user in respect of a preliminary enquiry or access request as confidential;
- only use or reproduce such information for the purpose for which it was disclosed; and
- not disclose such information except:
  - (a) to the scheme administrator (the AER) in an Access Dispute notice;
  - (b) to the arbitrator in the course of an arbitration;
  - (c) with the consent of the other party;
  - (d) to a professional or other adviser of the party who agrees with the party to maintain the confidentiality of the confidential information;
  - (e) if it is required by, or necessary for the purposes of, the NGR or the NGL;
  - (f) if the disclosure is in accordance with an order made or a subpoena issued by a court of competent jurisdiction; or
  - (g) 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.

## Preliminary Enquiries and Access Requests outside of Part 23 of the NGR

Until a prospective user has completed Epic Energy's Preliminary Enquiry Form or Access Request Form, Epic Energy will treat any other correspondence regarding access to the MAPS or SEPS as being outside of Part 23 of the NGR.

## 5. Further investigations

### Why further investigations may be required

Following receipt of a preliminary enquiry or a complete and valid Access Request Form, Epic Energy will review the request and determine whether further investigations are required. Examples of where further investigations may be required to be undertaken by Epic Energy include where the service/s requested by the prospective user requires one or more of the following:

- Pipeline modelling, to confirm the impact of a requested service on the operation of the pipeline;
- A new receipt or delivery point;
- A new lateral;
- Looping to expand the pipeline capacity;
- Additional compression to expand the pipeline capacity or provide a higher delivery pressure to the prospective user;
- An existing receipt or delivery point needs to be upgraded or expanded.

If Epic Energy needs to undertake further investigations in response to an access request for services on MAPS or SEPS, Epic Energy will notify the prospective user by email or mail, on the contact details provided by the prospective user, within 10 business days of receiving a complete and valid Access Request Form. Epic Energy will also provide to the prospective user a brief description/scope of what further investigations are required to be undertaken.

Please note that the timeframe required to complete further investigations will be dependent on the size and complexity of any works required to meet the prospective user's requirements. The investigations may require the engagement of external pipeline modelling and design engineers in addition to engaging with fabrication and construction companies to provide sufficient information on lead times and costs.

## Options for Prospective Users

On receipt of the notice from Epic Energy that further investigations are required in respect of a prospective user's Access Request, the prospective user may:

- withdraw its Access Request, by notifying Epic Energy via email or letter;
- with Epic Energy's consent, amend its Access Request by completing a new Access Request Form; or
- proceed with Epic Energy undertaking further investigations, by notifying Epic Energy via email or letter.

## Costs of further investigations

Following notification from the prospective user that the prospective user wishes for Epic Energy to undertake the further investigations, Epic Energy will in good faith negotiate with the prospective user the terms and conditions on which the further investigations will be carried out, including:

- the basis for determining reasonable costs of the further investigations to be paid by the prospective user; and
- the timeframe for conducting the further investigations.

Epic Energy will prepare an agreement setting out the terms and conditions under which the further investigations are to be conducted. Epic Energy will not undertake any further investigations until the agreement has been signed by all parties.

## Completion of Further Investigations

Following the completion of further investigations Epic Energy will provide the prospective user with a report summarising the outcomes of the further investigations. After receipt of that report, the prospective user may:

- withdraw its Access Request, by notifying Epic Energy via email or mail;
- amend its Access Request, by completing a new Access Request Form; or
- request Epic Energy to make an access offer in accordance with section 6 below.

## 6. Access Offer

### Making an access offer

Epic Energy will prepare and make an access offer to a prospective user after:

- receiving a valid Access Request Form; and
- after completing any further investigations that are required.

An access offer may comprise, depending on the access request received, the following:

- A copy of the standard MAPS or SEPS GTA;
- A copy of the standard MAPS or SEPS GTA, amended to reflect the transportation service or services required; or
- A new schedule or amendment to an existing MAPS or SEPS GTA.

The access offer will be made in writing and will either be emailed or mailed to the prospective user at the contact details provided:

- if no further investigations are required, within 20 business days of receiving a complete and valid Access Request or as agreed with the prospective user, or
- if further investigations are required, within 60 business days or as agreed with the prospective user.

### Accepting an access offer

If the prospective user wishes to accept the access offer the prospective user must execute and return a minimum of 2 copies, or as otherwise requested by Epic Energy, of the access offer to Epic Energy within 10 business days of receipt.

### Exemptions

Epic Energy is not required to make an access offer if:

- The prospective user's access request has been withdrawn;
- Epic Energy concludes that it is not technically feasible or not consistent with the safe and reliable operation of the pipeline to provide the service requested; or
- It requires an extension of MAPS or SEPS.

If Epic Energy is unable to make an access offer because the access offer is not technically feasible or not consistent with safe and reliable operation of the pipeline, Epic Energy will notify the prospective user via email or mail the reasons why it is unable to provide the requested service and whether it anticipates it may be able to provide the requested service sometime in the future.

## 7. Negotiations

### Commencing negotiations following an Access Request

A prospective user who has made an access request may notify Epic Energy in writing that it wishes to commence negotiations in relation to the access request, including in relation to:

- whether access can be granted; and
- the price and other terms and conditions of Epic Energy's access offer.

A negotiation notification from a prospective user must state whether the prospective user wishes to undertake negotiations:

- under Part 23 of the NGR, in which case rules 561 ('Negotiations') and 562 ('Access negotiation information') of the NGR will apply; or
- outside of Part 23 of the NGR, in which case the above rules will not apply (the parties may however agree to separate rules for the negotiations).

Before commencing negotiations the parties must agree to the following:

- the parties to the negotiations;
- the timetable for negotiations;
- what services are to be in the subject of the negotiations; and
- the confidentiality arrangements for the negotiations (the confidentiality provisions in rules 561(8)-(9) of the NGR will apply to negotiations under Part 23 of the NGR).

### Duty to negotiate in good faith

Section 216G of the NGL imposes a duty on both Epic Energy and the prospective user to undertake all negotiations in respect of access to a pipeline service in good faith.

### Information

A prospective user who has requested negotiations under Part 23 of the NGR may by notice to Epic Energy request that Epic Energy provide to the prospective user certain 'access offer information' and/or 'access negotiation information' (both as defined by rule 549(1) of the NGR) in relation to an access offer made to the prospective user.

Epic Energy will provide the requested information to the prospective user within 15 business days of the information request being received by Epic Energy, or as otherwise agreed between the parties.

Further requests for information will be treated separately and in the same manner.

Epic Energy may also, by notice to the prospective user, request ‘access negotiation information’ (as defined by rule 549(1) of the NGR) from the prospective user or other parties to the negotiation, which must be provided to Epic Energy within 15 business days after the prospective user receives the information request or as otherwise agreed.

Please note however, that Epic Energy is not required to provide any information where:

- to do so would breach a confidentiality obligation owed in respect of that information to an unrelated third party and the third party has not given consent to the disclosure despite reasonable efforts having been made by Epic Energy to obtain that consent; or
- the information is subject to, or would disclose other information subject to, legal professional privilege.

### End of negotiations

Negotiations may be terminated due to any of the following:

- the prospective user has decided to withdraw the access request;
- the prospective user and Epic Energy have agreed terms and conditions for access to services on MAPS or SEPS; or
- the Access Dispute the subject of the negotiations is referred to arbitration under section 216H(1) of the NGL.

### Referral to arbitration

A prospective user or Epic Energy may refer an Access Dispute to arbitration under section 216J of the NGL. This referral is initiated by the prospective user or Epic Energy providing a notice to the AER under section 216H(1) of the NGL that an Access Dispute exists. An arbitration between the parties is governed by applicable provisions of the NGL and Division 4 of Part 23 of the NGR.