

Loy Yang B Power Station

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Loy Yang B Lateral Gas Pipeline

User Access Guide

April 2023

LYB AUSTRALIA LIMITED
T/A LYB Operations and Maintenance Pty Ltd
Bartons Lane, LOY YANG VIC 3844

1. INTRODUCTION

1.1 Part 23 of the NGR

Under Part 23 of the National Gas Rules (**NGR**), a service provider for a non-scheme pipeline is required to publish information about the pipeline, including access information, standing terms, pricing and a user access guide (**Guide**).

1.2 Service provider

This is the Guide for the Loy Yang B Lateral Gas Pipeline, published by LYB Operations and Maintenance Pty Ltd ABN 66 055 563 696 (**LYB**).

1.3 Pipeline details

- (a) The purpose of this Guide is to provide prospective users with information about the process for applying for access to the LYB Lateral Gas Pipeline.
- (b) The LYB Lateral Gas Pipeline is an approximately 13 kilometre gas pipeline from the withdrawal point on the Victorian Transmission System to Loy Yang B Power Station (for start-up gas) and Valley Power Station (a gas-fired power station adjoining Loy Yang B Power Station).

2. KEY CONTACT DETAILS

The key contact details for enquiries and access related requests are:

Officer	Justin van der Zalm, Compliance Officer
Street address	Bartons Lane, LOY YANG VIC 3844
Postal address	Locked Bag 2500 Bartons Lane, LOY YANG VIC 3844
Telephone	03 5177 2151
Website	www.loyyangb.com.au
Email	justin.vanderzalm@loyyangb.com

3. ACCESS REQUESTS

3.1 Preliminary enquiries

- (a) LYB encourages prospective users to contact LYB early and make a preliminary enquiry or informal access request prior to sending an Access Request Form. Preliminary discussions assist LYB in understanding the service being sought and allow us to make a prompt Access Offer where appropriate.
- (b) In many cases, submitting a formal Access Request may not be necessary to make preliminary enquiries and an informal access request may suffice. In this instance, the more information access seekers provide at the informal access request stage, the more accurately LYB is able to respond.

- (c) If requested, LYB will carry out further investigations on the basis of a preliminary enquiry. Prospective users are, however, not obliged to make a preliminary enquiry.
- (d) A prospective user should make a preliminary enquiry or informal access request for a pipeline service by contacting the officer listed in section 2.

3.2 Access requests

- (a) A prospective user may make an access request to LYB (whether or not it has made a preliminary enquiry).
- (b) A sample Access Request Form is provided in **Appendix 1**. A prospective user may use this form to make an access request.
- (c) An access request must be in writing and include the following information:
 - (i) company name and ABN/ACN;
 - (ii) contact details (contact person, name and position, phone number, email address, physical address and postal address);
 - (iii) credit rating (if applicable) or details of the prospective user's ability to provide a suitable bank guarantee, letter of credit or some other form of prudential assurance from an entity, with a minimum of Standard & Poor's (or equivalent) credit rating of BBB;
 - (iv) a description of the service requested, including:
 - i. the time or times when each pipeline service will be required and the capacity to be utilised;
 - ii. the receipt and delivery points where you are seeking access; and
 - iii. relevant technical details for any new interconnection to the pipeline; and
 - iv. details relating to the pipeline service requested as set out in **Appendix 1** to this Guide.
- (d) LYB will let the prospective user know within five (5) business days if further information is required to complete the access request.

3.3 Amending an access request

A prospective user may amend the details of an access request with LYB's consent (which consent must not be unreasonably withheld, but which may be subject to reaching agreement on a reasonable extension to the period for LYB to make an access offer).

3.4 Further investigations

- (a) If LYB considers that it needs to undertake further investigations in relation to an access request, LYB will notify the prospective user within 10 business days after receipt of the access request or the receipt of any further information requested.
- (b) LYB will carry out any further investigations expeditiously and will negotiate with the prospective user in good faith about the terms and conditions on which the further investigations will be carried out (including in respect of the costs to be paid by the prospective user and the extension of the time for LYB to make an access offer).

3.5 Negotiate in good faith

LYB will always seek to act fairly and with integrity in all our dealings with prospective access seekers. LYB will negotiate in good faith with all prospective access seekers in providing access to pipeline and/or other services, as per our obligations under 216G of the National Gas Law (NGL).

4. ACCESS OFFERS

4.1 When LYB will make an access offer

Except in the circumstances outlined in section 4.2 of this Guide, LYB will make an access offer within the time period agreed with the prospective user. If no time is agreed, LYB will make an access offer by no later than:

- (a) If no further investigations are required, 20 business days after receiving the prospective user's access request or (if applicable) after receiving any further information requested by LYB; or
- (b) If further investigations are required, 60 business days after receiving the access request or (if applicable) after receiving any further information requested by LYB.

4.2 Contents of an access offer

An access offer made by LYB will:

- (a) Set out the price and other terms and conditions on which LYB offers to make the pipeline service requested available to the prospective user;
- (b) Contain the details of any works to be undertaken by LYB and the prospective user and any applicable technical and performance specifications; and
- (c) Be in a form capable of acceptance by the prospective user so as to constitute a new access contract or form part of an existing access contract.

4.3 When LYB will not make an access offer

- (a) In certain circumstances, LYB will not be required to make an access offer. These circumstances include:
 - (i) where the prospective user withdraws its access request;
 - (ii) where the provision of the pipeline service requested by the prospective user would require the extension or any other modifications of the LYB Lateral Gas Pipeline; and
 - (iii) where LYB concludes that it is not technically feasible or consistent with the safe and reliable operation of the LYB Lateral Gas Pipeline to provide the pipeline service requested by the prospective user, having used all reasonable efforts to accommodate the reasonable requirements of the prospective user.
- (b) Where LYB is unable to make an access offer due under section 4.3(a) of this Guide above, LYB will provide written reasons explaining why the requested pipeline service cannot be provided and, if there is some prospect that it will become possible to provide the pipeline service in the future, details of when the requested service is likely to become available.

5. NEGOTIATIONS

5.1 Requesting negotiations

- (a) A prospective user that has made an access request may, by notice to the contact person listed in section 2 of this Guide, request negotiations with LYB under Part 23 of the NGR.
- (b) The notice must provide the particulars in respect of which negotiations are requested (including where access to more than one pipeline service is sought, whether the prospective user wishes to negotiate more than one together) as well as any other party that the prospective user proposes to include as a party to the negotiations.
- (c) LYB and the prospective user must use reasonable endeavours to identify any other person who may become a party to an access dispute the subject of the negotiations.
- (d) A prospective user may, at anytime by notice to LYB, bring negotiations to an end, whether or not the prospective user has referred a related access dispute to arbitration.

5.2 Matters which can be negotiated

- (a) Negotiations may relate to any aspect of access to a pipeline service, including whether access can be granted and the price, other terms and conditions of an access offer.
- (b) LYB is not required to negotiate the provision of a pipeline service provided under an existing access contract or an access request that would require the extension or modification of the LYB Lateral Gas Pipeline.
- (c) Negotiations must be conducted in good faith.

5.3 Negotiation timetable

Rule 561(4) of the NGR provides that each party to the negotiations must seek to accommodate each other's reasonable requirements regarding the timetable for negotiations.

5.4 Information requests by the prospective user during negotiations

- (a) A prospective user may, by notice to the person listed in section 2 of this Guide, request Access Offer Information from LYB in relation to any aspect of the matters being negotiated.
- (b) Access Offer Information means information relevant to the principles and other matters in rule 569 of the NGR and includes:
 - (i) information about the method used to determine the price in an access offer and the inputs used in the calculation of the price; and
 - (ii) information regarding the costs associated with the provision of the pipeline service sought by a prospective user.
- (c) LYB will respond to a request for Access Offer Information within 15 business days or any longer period agreed by the prospective user. In responding to a request, LYB is not required to provide the following:

- (i) information that would, if provided, breach a confidentiality obligation owed in respect to an unrelated third party where the third party has not given consent to the disclosure, despite reasonable efforts having been made to obtain that consent; and
 - (ii) information that is the subject of legal professional privilege or documents that would disclose information subject to legal professional privilege.
- (d) Information provided by LYB in response to a request will comply with the access information standard in rule 551(2) of the NGR, be relevant to the subject matter of the request and be in a readily readable form.

5.5 Information requests by any party to negotiations

- (a) A party to the negotiation (**Requesting Party**) may, by notice, request another party (**Recipient Party**) to provide:
- (i) access Negotiation Information of the Recipient Party that the Recipient Party is seeking to rely on in relation to a specific matter arising in the negotiations; and
 - (ii) all Access Negotiation Information of the Recipient Party.
- (b) Access Negotiation Information means any Access Offer Information of the Recipient Party and any other information that the Recipient Party may seek to rely on for the determination of an access dispute in relation to the subject matter of the negotiations (including expert reports, consultant reports, data sets, models and other documents or materials prepared for the Recipient Party).
- (c) Access Negotiation Information must be provided by the Recipient Party within 15 days of the Requesting Party's request or any longer period agreed by the Requesting Party.
- (d) Each party to the negotiations, in requesting or providing Access Negotiation Information, must do so in a manner and at a time consistent with the duty of the party to negotiate in good faith.
- (e) Before issuing an access dispute notice in relation to the subject matter of the negotiations, a Requesting Party must give notice under rule 562(5)(b), requesting all Access Negotiation Information of the Recipient Party.
- (f) The Requesting Party must not issue an access dispute notice earlier than 15 business days after the notice under rule 562(6)(b) is given.

6. REFERRAL OF ACCESS DISPUTES TO ARBITRATION

- (a) Prospective access seekers have the right to refer access disputes to arbitration in accordance with section 216J of the NGL.
- (b) For further information about the arbitration process, prospective users are referred to Chapter 6A of the NGL, Part 23 of the NGR and the AER's 1 dated September 2017 (available at <https://www.aer.gov.au/system/files/AER%20Non-scheme%20Pipeline%20Arbitration%20Guide%20-%20September%202017.pdf>).

7. CONFIDENTIAL INFORMATION

- (a) LYB will deal with and use confidential information exchanged between LYB and a prospective user in accordance with a confidentiality agreement acceptable to LYB,

to be entered into with the prospective user. The form of confidentiality agreement can be provided to a prospective user on request.

- (b) Rule 561(8) of the NGR provides that a party to negotiations must only use or reproduce confidential information of another party for the purpose for which it was disclosed and must not disclose confidential information except:
- (i) to the scheme administrator (AER) in an access dispute notice;
 - (ii) to the arbitrator in the course of an arbitration;
 - (iii) with the consent of the other party;
 - (iv) to a professional or other adviser of the party who agrees with the party to maintain the confidentiality of the confidential information;
 - (v) if it is required by, or necessary for the purposes of, the NGR or the NGL;
 - (vi) if the disclosure is in accordance with an order made or a subpoena issued by a court of competent jurisdiction; or
 - (vii) 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.

Appendix 1 – Sample Access Request Form

Customer Detail	Answer
Company	
Company ABN/CAN	
Contact Name	
Contract Position Title	
Contact Email	
Contract Phone No:	

Pipeline Access Detail	Answer
Pipeline	
Required Service Type	
Service Start Date	
Receipt Point	
Delivery Point	
Max Daily Volume (TJ/d)	

Technical Access Requirements	Answer
Receipt Point Pressure (kPag):	
Delivery Point Pressure (kPag):	
Min Temperature requirement (°C)	
Max Temperature requirement (°C)	
Ramp up Profile (TJ/Sec)	
Shut down Profile (TJ/Sec)	
Annual Volume Requirements (TJ/d):	
Daily Volume Requirements (TJ/d)	

Hourly Volume Requirements (TJ/hr)	
Instantaneous Flow Requirements (TJ/hr)	

Credit Requirements	Answer
Company Credit Rating (Please attach Evidence)	