





21 June 2023

Reference service proposal for the Goldfields Gas Pipeline

Decision

The Economic Regulation Authority has published a <u>decision</u> approving the reference service set out in Goldfields Gas Transmission's (GGT) <u>reference service proposal</u> for the Goldfields Gas Pipeline (GGP).

GGT operates the GGP which transports gas to support mining operations throughout the Pilbara and Goldfields regions in Western Australia.

The ERA's decision approves GGT's proposal to retain the firm transportation service as the single reference service for the GGP for the next (fifth) access arrangement period.

In making its decision, the ERA had regard to the reference service factors as set out in the National Gas Rules and the outcome of consultations held by the ERA and GGT. As an approved reference service, the firm transportation service will form part of GGT's access arrangement proposal for the next access arrangement period, which is expected to commence on 1 January 2025.

GGT must submit its access arrangement proposal to the ERA by 1 January 2024. The proposal will set out the terms, conditions and prices for the firm transportation service, along with proposed revisions to other access arrangement provisions.

Background

The National Gas Rules require that a reference service proposal be submitted to the ERA for approval prior to the submission of an access arrangement proposal.

The reference service proposal is focused on identifying the services that can be offered by means of the pipeline and determining which of these services should be specified as a reference service under the access arrangement.

A "reference service" is a pipeline service that has a reference tariff and other terms and conditions approved by the regulator under the access arrangement framework, with the reference tariff being the price that the pipeline operator can charge its customers. The reference service and reference tariff may serve as benchmark for access negotiation and arbitration in the event of a dispute.

On 22 December 2022, GGT submitted a reference service proposal to the ERA. The ERA published GGT's proposal on 10 February 2023 and invited submissions from interested parties over a 20business day consultation period. The ERA received one submission from GGT. The ERA undertook further direct consultation of some known users of the GGP. No submissions relevant to the assessment of the reference service proposal were received.

Further information

General enquiries Tyson Self Ph: 08 6557 7919 info@erawa.com.au Media enquiries Danielle Asarpota Ph: +61 428 859 826 media@erawa.com.au