

OFFICE OF GAS ACCESS REGULATION

6th Floor, 197 St Georges Terrace, Perth WA 6000
GPO Box 8469, Perth Business Centre WA 6849

Telephone: (08) 9213 1900
Facsimile: (08) 9213 1999

Email: enquiry@offgar.wa.gov.au
Website: <http://www.offgar.wa.gov.au>



NOTICE

Our Ref: 1044/99

PARMELIA PIPELINE RING FENCING ARRANGEMENTS CALL FOR PUBLIC SUBMISSIONS

This is to advise that an application for a waiver of ring fencing obligations has been received from CMS Gas Transmission Australia (CMS). The waiver is in respect of the Parmelia Pipeline (Licence Numbers WA: PL 1-3, 5 and 23).

The sections of the *National Gas Pipelines Access Code for Natural Gas Pipeline Systems* (the Code) for which a waiver of ring fencing obligations is being sought are:

- section 4.1(b) – requiring the pipeline service provider not to carry on a Related Business;
- section 4.1(h) – requiring marketing staff of the pipeline service provider not to be employed by an Associate; and
- section 4.1(i) – requiring that employees of a pipeline service provider not be marketing staff of an Associate.

Provisions of the Code

Section 4.15 of the Code allows for ring fencing obligations to be waived in respect of section 4.1(b) where the Regulator is satisfied that:

- (i) either the Covered Pipeline is not a significant part of the Pipeline system in any State or Territory in which it is located or there is more than one Service Provider in relation to the Covered Pipeline and the Service Provider concerned does not have a significant interest in the Covered Pipeline and does not actively participate in the management or operation of the Covered Pipeline; and
- (ii) the administrative costs to the Service Provider and its Associates of complying with that obligation outweighs any public benefit arising from the Service Provider meeting the obligation, taking into account arrangements put in place by the Service Provider (if any) to ensure that Confidential Information the subject of sections 4.1(f) and (g) is not disclosed to the Service Provider or is not disclosed to the servants, consultants, independent contractors or agents of the Service Provider who take part in a Related Business; and
- (iii) an arrangement has been established between the Service Provider and the Regulator which the Regulator is satisfied replicates the manner in which section 7.1 would operate if the Service Provider complied with section 4.1(b).

Sections 4.15 also allows for ring fencing obligations to be waived in respect of sections 4.1(h) and (i) of the Code where the Regulator is satisfied that the administrative costs to the Service Provider and its Associates of complying with those obligations outweighs any public benefit arising from the Service Provider meeting the obligations.



Call for Public Submissions

As required by the Code (section 4.17), submissions are invited from interested parties in relation to the application by CMS for a waiver of ring fencing obligations. Submissions should be returned by close of business (WST) on Monday 8 May 2000 to:

Mr Mike Jansen
Office of Gas Access Regulation
Level 6 Governor Stirling Tower
197 St Georges Terrace
Perth WA 6000

Fax: + 61 8 9213 1999
Telephone: + 61 8 9213 1925
Email: Mike_Jansen@offgar.wa.gov.au

All submissions received by the due date will be taken into account in assessing the application from CMS.

Format of Submissions

Submissions should be in both written and electronic form.

Available Documentation

A copy of the application for waiver by CMS may be downloaded from the OffGAR web site (<http://www.offgar.wa.gov.au/register.cfm?function=view&pipelineid=1>). Printed copies of the application are available directly from OffGAR for \$10.00 each. Requests for the document can be made to Mr Mike Jansen at the above address.

Confidentiality

In general, all submissions from interested parties will be treated as in the public domain and placed on the OffGAR web site. Where an interested party wishes to keep part or all of the contents of a submission confidential, it should indicate these parts clearly. However, where the Regulator considers that the release of this information would not be unduly harmful to the legitimate business interests of any party, the Regulator may disclose the contents of the submission, but will provide the party making the submission the option of revising or withdrawing its submission.

KEN MICHAEL
GAS ACCESS REGULATOR

7 April 2000