

### **ECONOMIC REGULATION AUTHORITY**

# T1 Service Terms and Conditions Dampier to Bunbury Natural Gas Pipeline

### **DBNGP (WA) Nominees Pty Ltd**

ABN 78 081 609 289

**Pipeline Trustee** 

### **DBNGP (WA) Transmission Pty Ltd**

ABN 69 081 609 190

**Operator** 

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### **R1 Contract Terms & Conditions**

#### 1. INTERPRETATION Interpretation

In this Contract, except where the context requires another meaning:

ACCC means the Australian Competition and Consumer Commission.

**Access Arrangement** means the access arrangement from time to time for the DBNGP under the Access Regime, as changed, varied or replaced from time to time <u>(including by the change made by the Corrigenda of 12 January 2004)</u>.

**Access Arrangement Information** means the access arrangement information submitted by the Operator to the Regulator from time to time in accordance with the provisions of the <u>National Gas Pipelines Access (Western Australia)</u> Law.

Access Regime means any legislative, legislative and administrative or administrative regime from time to time governing the terms and conditions of third party access to Capacity Services or Spot Capacity on the DBNGP, and at the time of this Contract includes the National Gas Pipelines Access (Western AustraliaWA) Act 19982009 (WA) and, the National Gas Pipelines Access Law applying under it(Western Australia) Law and the Rules, and any access arrangement approved under the National Gas Pipelines Access (Western Australia) Law and in force for the DBNGP.

Access Request means a request for access as described in the Information Package.

Access Request Form means the Access Request form for lodging Access Requests for the T1 Service in accordance with the Access Arrangement or, as the context requires, the Access Request Form in Schedule 1 of this Contract.access request form in Schedule 1.

**Accumulated Imbalance** means the accumulated imbalance calculated under clause 9.3 and, (if applicable), adjusted under clause 9.9.9.8.

Accumulated Imbalance Limit has the meaning given in clause 9.5(a).

Accumulated Imbalance Notice is defined has the meaning given in clause 9.4.

Accurate means measuring the quantity of Gas with an inaccuracy of less than or equal to:

#### Actual Mass Flow Rate means either:

- (a) plus or minus 1.5% for Metering Equipment with a design flow of 5 TJ/d or greater; anda directly measured variable; or
- (b) plus or minus 3% for Metering Equipment with a design flow of less than 5
- (b) Actual Mass Flow Rate means either a directly measured variable or a Derived Variable computed by multiplying the instantaneous actual volume flow of Gas-(, as measured by the Primary Metering Equipment), by the density of the Gas-(either, the density being either:
  - (i) measured as the instantaneous measured density of the Gas-or-; or





calculated in accordance with the American Gas Association's NX

19 or American Gas Association's 8 standards or full detail method
defined in AGA Report No. 8 Compressibility Factor of Natural
Gas and Related Hydrocarbon Gasses (1994) standards, as the
Operator determines, or in accordance with such other Gas
industry standards as the Parties may agree).

Advance Nomination means a Nomination by the Shipper under clause 8.17.8.16.

Affected Party has the meaning given in clause 19(a).

Aggregated Service Allocated Daily Nomination means, in relation to a particular shipper, the Daily Nomination for Aggregated T1 Service actually allocated to that shipper for the relevant Gas Day plus the material equivalent to such allocation for the relevant Gas Day in respect of Aggregated T1 Service under any other contract for Capacity Service with that shipper.

Aggregated T1 Service has the meaning given in clause 8.16.

Alcoa means Alcoa of Australia Limited (ABN 93 004 879 298).298.

**Alcoa's Exempt Capacity** means the Gas Transmission Capacity necessary to transport the quantity of Gas which the Operator is required to Deliver from time to time to Alcoa under the Alcoa Exempt Contract (including Alcoa's Exempt Delivery Entitlement).

Alcoa Exempt Contract means the contract originally between the State Energy Commission of Western Australia and Alcoa and now between the Operator and Alcoa dated 7 February 1983 as amended from time to time, and including any changes to the quantities of Alcoa's entitlements under that contract taking effect after the date of execution of the Deed of Amendment No 5 of that contract which result from an exercise of rights by Alcoa under that contract which existed upon the execution of Deed of Amendment No 5 of that contract, but excluding any amendments having effect after the date of execution of Deed of Amendment No 5 of that contract which in any way relate to the Capacity the Operator must provide to Alcoa under that contract including for the purposes for which that Capacity may be used and the prices Alcoa pays for that Capacity if it uses that Capacity for other than a purpose specified in that contract.

**Alcoa's Exempt Delivery Entitlement** means the quantity of Gas (including Alcoa's Priority Quantity) of which Alcoa is entitled to take Delivery under the Alcoa Exempt Contract during a Curtailment, which may exceed Alcoa's Priority Quantity.

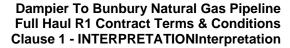
Alcoa's Priority Quantity means 40 TJ/d of Alcoa's Exempt Delivery Entitlement.

Appointed Agent means a person appointed by the Shipper by way of a written agreement to act as agent of the Shipper in respect of some or all of those matters this Contract contemplates may be performed by a Producer or an Appointed Agent on behalf of the Shipper.

**Approved Prospective Shipper** means a person who is not a shipper but who has satisfied <u>the Operator</u> of its creditworthiness such that, in <u>the Operator</u>'s reasonable opinion, that person would be capable of meeting the obligations imposed under any relevant contract for Gas Transmission Capacity on the DBNGP.

Approved Tradeable Capacity has the meaning given in clause 27.4(g).

**AS** followed by a designation, refers to the text from time to time amended and for the time being in force of the document so designated issued by Standards Australia.





ASX means the Australian Stock Exchange ASX Limited (ABN 98 008 624 691).691.

**Associate** has the meaning given in section 11 of the Corporations Act <u>as at the Execution Date</u>.

Associated, when used to describe the relationship between:

- (a) a Gate Station and a Sub-network, means that the Gate Station is associated with a Sub-network:
- (b) an Inlet Station and an Inlet Point, means that the Inlet Station is used to measure Gas flows and other parameters at the Inlet Point; and
- (c) an Outlet Station and an Outlet Point, means that the Outlet Station is used to measure Gas flows and other parameters at the Outlet Point.

#### authorisation means:

- <u>any authorisation, approval, agreement, indemnity, guarantee, consent, licence, permit, franchise, permission, filing, registration, resolution, direction, declaration or exemption of any Governmental Authority; and</u>
- in relation to anything which will be prohibited or restricted in whole or in part by law if a Governmental Authority intervenes or acts in any manner within a specified period after notification to it, the expiry of that period without intervention or action of the relevant Governmental Authority.

**Authorised Relocation** means a Requested Relocation that has been authorised by the Operator under clause 14.2.

**B1 Service** means a Back Haul service which, under the terms of a contract for the Back Haul Service, is specified to rank equally to a R1 Service in the Curtailment Plan.

**Back Haul** means a Gas transportation service on the DBNGP where the inlet point Inlet Point is downstream of the outlet pointOutlet Point.

Bank Bill Rate means, for the day of calculation, the average mid rate for bills having a tenor closest to 90 days, as displayed on the "BBSY" page of the Reuters Monitor System on that day. However, if the average mid rate is not displayed by 10:30am (Sydney time) on that Day, or if it is displayed but there is an obvious error in that rate, Bank Bill Rate means the rate (expressed as a yield to maturity) set by the Operator in good faith and acting reasonably at approximately 10:30am on that day, having regard, to the extent possible, to the mid rate of the rates otherwise bid and offered for bills of that tenor at or around that time (including any displayed on the "BBSW" page of the Reuters Monitor System). The rate set by the Operator must be expressed as a percentage rate per annum and be rounded up to the nearest sixth decimal place.

Bare Transfer has the meaning given in section 3.10(a) of the Code.

<u>BEP means the Burrup extension pipeline as described in pipeline licence number 38 issued under the the Petroleum Pipelines Act 1969 (WA).</u>

**BEP Inlet Point** is the point where the BEP leaves the North-West Shelf Buffer Zone approximately at co-ordinates 477196.9ME and 7722017.2NM, with Datum AMG.

BEP Inlet Point Capacity has the meaning given in clause 2.6.

<u>Blended Gas means all Gas Delivered at a Multi-shipper Inlet Point in a commingled inlet stream.</u>



#### Blended Specifications has the meaning given in clause 7.13.

#### Capacity means:

- at an inlet point Inlet Point or a proposed inlet point Inlet Point the capacity of the DBNGP to take delivery at and to transport Gas from that point Inlet Point; and
- (b) at an <u>outlet pointOutlet Point</u> or a proposed <u>outlet pointOutlet Point</u> the capacity of the DBNGP to transport and deliver Gas to that <u>pointOutlet Point</u>,

and is to<u>must</u> be expressed in TJ/d. For the avoidance of doubt, <u>unless otherwise</u> <u>expressly stated</u>, a reference in this Contract to Capacity is a reference to Capacity averaged across a Gas Day.

**Capacity End Date** means 08:00 hours on the date determined in accordance with clause 4 of this Contract and is 08:00 hours on the date on which the Shipper's access to the particular Contracted Capacity is to end.

**Capacity Reservation Charge** means a component of the price for Gas Transmission Capacity to which <u>the</u> Shipper has access under this Contract, calculated in accordance with clause 20.2.

Capacity Service means any-capacity service offered by the Operator on the DBNGP excluding capacity under a Spot Transaction, and including, without limitation, P1 Service, T1 Service and B1 Service by which access to Gas Transmission Capacity is provided.

Capacity Start Date has the meaning given to it in clause 4.2 means 08:00 hours on the date specified in clause 4.1 of this Contract as the date at which the Shipper's access to the particular Contracted Capacity is to start or has started.

<u>Capital Cost of the Expansion</u> means, in relation to any Expansion, the costs, including all consultants' fees, of the design, engineering, procurement, construction, installation, pre-commissioning and commissioning of the Expansion.

Carbon Cost means any costs arising in relation to the management of and complying with any obligations or liabilities that may arise under any Law in relation to greenhouse gas emissions. For the avoidance of doubt, such costs may include the costs reasonably incurred by the Operator of actions taken by it to reduce greenhouse gas emissions or mitigate their effect and the costs incurred in acquiring and disposing of or otherwise trading emissions permits.

**Charges** means the Capacity Reservation Charge, Commodity Charge and Other Charges.

**Check Metering Equipment** means any Metering Equipment or other equipment installed, maintained or operated by a Party under clause 15.8(a) for checking measurements of Gas quality and quantity.

**Code** means the National Third Party Access Code for Natural Gas Pipeline Systems as amended and in force for the time being (as defined by section 11 of the Gas Pipelines Access (Western Australia) Act 1998 (WA).

Commodity Charge means the charge set out in clause 20.3.

**Confidential Information** has the meaning given in clause 28.1.





**Contract** means this contract, as revoked, substituted or amended <u>from time to time</u> under clause 38, including the queuing policy and trading policy underof the Access Arrangement, Access Request Form and these terms and conditions and the Schedules attached hereto.

**Contracted Capacity** has the meaning given in clause 3.3, and includes 3.3 and, in the context of any other contract in respect of a particular Capacity in any Type of Capacity Service so that for example Contracted T1 Capacity means Contracted Capacity in the T1 Service Service, has the meaning given in that contract.

**Contracted Firm Capacity** means Alcoa's Exempt Capacity and Capacity under a <del>T1</del> Service, B1 Service, P1 Service or R1 Contract or any contract for a Firm Service.

**Contract Year** means the period from the Capacity Start Date until 31 December in the same calendar year and thereafter the period commencing 1 January in a calendar year and ending on 31 December in the same calendar year, with the last Contract Year ending on the earlier of the Capacity End Date and the sooner termination of this Contract.

**Contribution Agreement** has the meaning given to it in clause 6.76.14(b).

**Control** has the meaning given in the Corporations Act as at the commencement of the Access Arrangement Periodatthe Execution Date.

**Controller** has the meaning given in the Corporations Act as at the <del>commencement of the Access Arrangement Period</del> <u>Execution Date</u>.

Corporations Act means the Corporations Act 2001 (Cth).

*CPI* means the Consumer Price Index (All Groups) for Perth, Western Australia, as published for each quarter by the Australian Bureau of Statistics or, if the Consumer Price Index (All Groups) for Perth ceases to be published, such alternative index as <u>the</u> Operator as a Reasonable <u>Andand</u> Prudent Person may determine.

**CRS** means the Operator's electronic customer reporting system.

CS7 means compressor station no.7 on the DBNGP.

Cubic Metre or m<sup>3</sup> means a cubic metre at MSC.

**Current Verification** means the Verification at which the Primary Metering Equipment is found to be Inaccurate.

*Curtail* means reduce, interrupt or  $stop_{\underline{*}}$  or any combination of them, completely or in part.

**Curtailment Area** means, in relation to a particular Curtailment, the area affected by the relevant Curtailment and unless the Curtailment is a Point Specific Curtailment, includes all areas of the DBNGP downstream of that area.

Curtailment Notice has the meaning given in clause 17.6(a).

**Curtailment Plan** means the regime governing Curtailments of Capacity set out in Schedule <u>86</u> and clause 17.9.

Daily Bid has the meaning given to it in clause 3.5(b).



**Daily Imbalance** means, for a particular Gas Day, the Shipper's Total Inlet Quantity minus the Shipper's Total Outlet Quantity for that Gas Day across all of its Capacity Services and its Spot Transactions.

#### **Daily Nomination** means:

- (a) in respect of a Type of Capacity Service at an inlet point Inlet Point on a Gas <u>Day</u> - the Capacity for the quantity of allocated Gas that the Shipper is to <u>Deliver to the Operator at the inlet point Inlet Point</u> on a Gas Day and the <u>under that Type of Capacity Service</u>; and
- (b) in respect of a Type of Capacity Service at an <u>outlet pointOutlet Point on a</u>

  <u>Gas Day</u> the Capacity for the quantity of <u>allocated</u>-Gas that <u>the</u> Shipper is to Receive from <u>the Operator at the outlet pointOutlet Point</u> on a Gas Day <del>and theunder that</del> Type of Capacity Service,

and in each case as actually allocated under clause 8, set out in the Initial Nomination for that Gas Day, and includes the Capacity for a revised quantity of Gas allocated scheduled under a Renomination process.

#### Daily Spot Bid Price has the meaning given to it in clause 3.5(b).

**DBNGP** means the Gas transmission pipeline system that runs between Dampier and Bunbury in Western Australia, described in Appendix 1 to the Access Arrangement InformationSchedule 4 as expanded or amended from time to time to the extent that it is geographically located within the DBNGP Pipeline Corridor created under Part 4 of the DBP Act, as that Corridor exists at the Execution Date.

#### **DBNGP Corridor** has the meaning given in the DBP Act.

**DBNGP Operating Agreement** means the document so titled dated 25 March 1998 between the Operator and the Pipeline Trustee as amended and extended from time to time, under which the Pipeline Trustee grants to the Operator a sublicense of the pipeline licence for the DBNGP and the right and obligation to operate the DBNGP.

#### **DBNGP Trust** has the meaning given in clause 25.6(a).

DBNGP Trustee means DBNGP Holdings Pty Ltd (ACNABN 16 110 721 981).081.

**DBP Act** means the *Dampier to Bunbury Pipeline Act 1997* (WA).

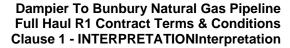
**Deliver** means to deliver or supply Gas and includes Gas deemed by this Contract to be delivered or supplied at an inlet point or outlet point or outlet point (including a Multi-shipper Inlet Point or Multi-shipper Outlet Point).

**Derived Variable** means a value computed by electronic, analogue or digital means from primary measurements or other derived variables or a combination of both.

Direct Damage means loss or damage which is not Indirect Damage.

Dispute means any dispute or difference concerning:

- (a) the construction of;
- (b) anything contained in or arising out of; or
- (c) the rights, obligations, duties or liabilities of a Party under,





this Contract and includes any issue which a provision of this Contract contemplates may be referred to dispute resolution under clause 24.

**Distribution Network** means any Gas distribution system which receives Gas from the DBNGP and includes any Gas distribution system owned or operated by Networks which receives Gas from the DBNGP.

**Distribution Networks' IPQ** means 40 TJ/d or such greater or lesser amount as may be agreed between the Parties.

**Distribution Networks Shipper** means any shipper delivering Gas into a Distribution Network (subject to any Law which excludes that shipper from participating in a share of the Distribution Networks' IPQ), from time to time, and may include the Shipper.

**Duty Equipment** means the Metering Equipment in service at a particular time.

**Electronic Data Collection System** means the system and equipment for collecting, receiving and transferring electronic signals and data from Metering Equipment, used for the measurement of Gas delivered to shippers and for billing.

**Environmental Andand Safety Law** means a Law relating to environmental, building, construction, engineering, planning, health, safety or occupational health and safety matters.

<u>Equity</u> means the body of law referred to as equity in section 24 of the <u>Supreme Court</u> Act 1935 (WA).

**ERA** means the Economic Regulatory Authority established by the *Economic Regulation Authority Act 2003* (WA).

**Excess Imbalance Charge** means the charge payable by <u>the</u> Shipper identified in <u>clausesclause</u> 9.5(e) and 9.6(bc).

Excess Imbalance Rate means the rate set out in row 1 of Schedule 2.

**Execution Date** means the date on which this Contract is signed by the last of the Parties to sign it.

**Existing Gas Supply Contract** means a contract between a shipper and a customer for the sale and or transport of Gas to a customer of a shipper under which the Gas is too will be supplied to the customer at or immediately downstream of an outlet point Outlet Point, which was in existence as at the date of the relevant change in Law as contemplated in clause 7.10, and excluding any amendments to that contract having effect after such date.

**Existing Inlet Point** means an Inlet Point on the DBNGP from which the Shipper proposes to relocate Contracted Capacity, being an Inlet Point specified in this Contract (including by a prior amendment under clause 14.9) at the time the Requested Relocation is made.

**Existing Outlet Point** means an Outlet Point on the DBNGP from which the Shipper proposes to relocate Contracted Capacity, being an Outlet Point specified in this Contract (including by a prior amendment under clause 14.9) at the time the Requested Relocation is made.

**Existing Producer Contract** means a contract between a shipper and a Producer for the sale of Gas to the shipper under which the Gas is to supplied to the shipper at or immediately upstream of an inlet point lnlet Point, which was in existence as at the





date of the relevant change in Law as contemplated in clause 7.10, and excluding any amendments to that contract having effect after such date.

#### **Existing Station** means:

- (a) an Inlet Station Associated with an Inlet Point or an Outlet Station Associated with an Outlet Point that was installed and commissioned on or before 1 January 1995; or
- (b) an Inlet Station Associated with an Inlet Point or an Outlet Station Associated with an Outlet Point that is the subject of a Facility Agreement (which has the meaning given in clause 6.86.15) or similar agreement, as at the Capacity Start Date...

#### all of which are listed in Schedule 5.

Expansion means all work required to be undertaken to or in connection with the DBNGP in order to expand the Gas Transmission Capacity of the DBNGP, including to provide additional Capacity for Alcoa pursuant to the Alcoa Exempt Contract, but excluding (subject to the following sentence) any expansion which causes the DBNGP to exceed the geographical confines of the DBNGP Pipeline Corridor created under Part 4 of the DBP Act as at the date of this Contract. The preceding exclusion does not apply to expansion within the extended corridor as contemplated by the expansion project of the easement for the corridor under the DBP Act which was occurring at or about 27 October 2004.

#### Facility has the meaning given in clause 6.15.

#### Facility Agreement has the meaning given in clause 6.15.

Financial Matter has the meaning given to it in clause 24.7.

*Firm Service* has the meaning given in the Access Arrangement in the form the Access Arrangement was in on 13 January 2004.

**Force Majeure** means any event or circumstance not within a Party's control and which the Party, by the exercise of the standards of a Reasonable Andand Prudent Person, is not able to prevent or overcome, including (provided the foregoing tests are satisfied):

- (a) acts of God, including epidemics, land slides, lightning, earthquakes, fires, storms, floods, wash outs and cyclones;
- (b) strikes, lock outs, stoppages, restraints of labour and other industrial disturbances;
- (c) acts of the enemy including wars, blockades and insurrection;
- (d) acts of terror, terrorism or terrorists;
- (e) riots and civil disturbances;
- (f) valid Laws of the Commonwealth or any Commonwealth statutory authority;
- (g) valid Laws of the State or a local government or any State statutory authority;
- (h) shortage of necessary equipment, materials or labour;





- <u>an Insolvency Event occurring in relation to a third party supplier (as if the third party supplier were a Party for the purpose of the definition of Insolvency Event) which materially affects the Operator's ability to perform its obligations under this Contract;</u>
- refusal or delay in obtaining any necessary consent or approval from any Commonwealth, State or local government or a Commonwealth or State statutory authority;
- (k) unavoidable accidents involving, or break down of or loss or damage to, any plant, equipment, materials or facilities necessary for the Party's operations;
- any DBNGP shutdown or interruption which is validly required or directed by any Commonwealth, State or local government agency or any Commonwealth or State statutory authority having authority to so require or direct;
- (m) any DBNGP shutdown or interruption required to conform with design or regulatory limits on DBNGP facilities, whether arising due to environmental conditions or circumstances or otherwise:
- (n) DBNGP ruptures; and
- (o) collisions or accidents; and
- (o) any other matter reasonably beyond the control of the Party.

**Forward Haul** means a Gasgas transportation service on the DBNGP where the inlet point Inlet Point is upstream of the outlet pointOutlet Point.

**Full Haul** means a Gas transportation service on the DBNGP where the inlet point is upstream of main line valve 31 on the DBNGP and the outlet point Outlet Point is downstream of Compressor Station 9 on the DBNGP, regardless of the location of the Inlet Point, but does not include Back Haul.

Gas means any naturally occurring gas or mixture of gases, intended for use:

- (a) as a fuel; or
- (b) in any chemical process.

**Gas Day** means the 24 hour period starting at 08:00 hours on a day and ending at 08:00 hours on the following day and the date of thea Gas Day is the date on which it commences.

Gas Hour means a period of 60 minutes, commencing and ending on the hour.

**Gas Month** means a monththe period starting at 08:00 hours on the first day of the a calendar month and ending at 08:00 hours on the first day of the following calendar month.

#### Gas Pipelines Access Law means:

- (a) Schedule 1 of the Gas Pipelines Access (Western Australia) Act 1998 (WA); and
- (b) The Code.





Gas Transmission Capacity means the capacity of the DBNGP to transport Gas.

**Gas Year** means the 12 month period starting at 08:00 hours on 1 January and ending at 08:00 hours on the following 1 January.

**Gate Station** means the Metering Equipment site Associated with a Physical Gate Point and includes all facilities installed at the site to perform over pressure protection, reverse flow protection, excessive flow protection, Gas metering and measurement and telemetry and all standby, emergency and safety facilities and all ancillary equipment and services.

#### GJ means gigajoule.

Good Gas Industry Practice means the practices, methods and acts engaged in or approved by a firm or body corporate which, in the conduct of its undertaking, exercises that degree of due diligence, prudence and foresight reasonably and ordinarily exercised by skilled and experienced persons engaged in providing services to the Australian gas industry under the same or similar circumstances and conditions, and includes complying with the terms of this Contract and taking reasonable steps to ensure that:

- (a) manufacturers' instructions and operating manuals are complied with;
- (b) adequate materials, resources and supplies are available at the necessary places under normal conditions associated with existing operations;
- (c) sufficient experienced and trained operating personnel are available to undertake its responsibilities under this Contract;
- (d) appropriate monitoring and testing is carried out to ensure that the equipment will function properly under normal and emergency conditions;
- (e) equipment is operated and maintained in accordance with any Laws applicable to that equipment;
- (f) in accordance with all applicable Laws:
  - (i) it acts in a sound and workmanlike manner;
  - (ii) it acts with due skill, care and applying standards required or accepted by a company experienced in the delivery of similar works and the provision of similar services;
  - (iii) it acts with due expedition and without unnecessary or unreasonable delays; and
  - (iv) it acts in a manner which allows for the work to be efficiently and cost-effectively performed with due regard to safety.

<u>Governmental Authority</u> means any government or governmental, semi-governmental, administrative, fiscal or judicial body, responsible minister, department, office, commission, delegate, authority, instrumentality, tribunal, board, agency, entity or organ of government, whether federal, state, territorial or local, statutory or otherwise.

**GST** means GST as that term is defined in the GST Law and as imposed by the GST Law.

**GST Law** means A New Tax System (Goods and Services Tax) Act 1999 (Cth) or a successor Act.



Higher Heating Value is to be determined using ISO 6974 for the analysis of natural Gas and using ISO 6976 for the calculations from that analysis, and means the gross number of means the gross amount of heat energy (measured in megajoules) produced by the complete combustion of one Cubic Metre of dry Gas-at MSC with air of the same temperature and pressure, when the products of combustion are cooled to the initial temperature of the Gas and air and when all water formed by combustion is condensed to the liquid state, corrected to a water - vapour free basis and expressed at MSC, and determined using ISO 6974 for the analysis of natural Gas and using ISO 6976 for the calculations from that analysis.

Hourly Peaking Charge means the charge payable under clause 10.3(d) or 10.4(bc).

Hourly Peaking Limit has the meaning given in clause 10.1.

Hourly Peaking Rate means the rate specified in row 2 of Schedule 2.

**Hourly Quantity** for a Gas Hourmeans, in respect of a particular shipper is to be expressed in terajoules and means for a Gas Hour, the total quantity (across all outlet points Outlet Points in the relevant Pipeline Zone or Zones (as the case may be) of Gas Received by the relevant shipper from the Operator during the that Gas Hour, expressed in terajoules.

#### Imbalance Gas Rate has the meaning given to it in clause 9.9(b)(ii)

**Inaccurate** means measuring the, with respect to any measurement of a quantity of Gas with an inaccuracy of, that the measurement is inaccurate to a greater extent than the relevant limit prescribed by clauses clause 15.13(a)(i) or 15.13(a)(ii) (as the case may be).

Independent Expert is the means an expert chosen under clause 24.8.

Indirect Damage suffered by means, in respect of a person, means:

- (a) any indirect loss or damage <u>suffered by that person</u>, however caused, including any:
  - (i) consequential loss or damage;
  - (ii) loss of (or loss of anticipated) use, production, revenue, income, profits, business and savings; or
  - (iii) business interruption,

whether or not the indirect loss or damage was foreseeable; and

(b) any liability of thethat person to any other person, or any claim, demand, action or proceeding brought against thethat person by any other person, and any costs or expenses in connection with the claim, demand, action or proceeding.

*Inert Gases* means any one or any mixture of helium, neon, argon, krypton, xenon, radon, nitrogen and carbon dioxide.

#### Information Package has the meaning in section 5.1 of the Code.

**Initial Nomination** means a Nomination by <u>the Shipper under clause 8.6</u>, unless no such Nomination has been made, in which case <u>shall meanit means</u> an Advance Nomination (if <u>the Shipper</u> has made an Advance Nomination).



#### Initial Notice has the meaning given to it in clause 17.6(b)(i)(A).

*Inlet Metering Equipment* means the Metering Equipment which Shipper is required by referred to in clause 15.1(a) to supply, install, Operate and Maintain at an Inlet Station at its own expense.

Inlet Point means a flange, joint, or other point, or other point at which any shipper has Contracted Capacity from time to time for the Delivery of Gas by it to the Operator and, where the context requires, means a flange, joint or other point specified in clause 3.3(a) at which the Shipper has Contracted Capacity from time to time.

<u>Inlet Point Connection Facilities</u> means that part of the DBNGP that comprises facilities and equipment between an Inlet Point and the main trunkline structure of the pipeline, and includes:

- <u>any facilities to perform overpressure protection, reverse flow protection, excessive flow protection, Gas quality monitoring, Gas metering and measurement and telemetry;</u>
- (b) all standby, emergency and safety facilities; and
- (c) all ancillary equipment and services,

constituting that part of the DBNGP.

*Inlet Point Operating Specifications* means the Operating Specifications specified in column 2 of Item 1 of Schedule 3.

*Inlet Sales Agreement* means the form of inlet sales agreement which is published on the Operator's website from time to time.

<u>Inlet</u> Station means the Metering Equipment site Associated with an Inlet Point, and includes:

- (a) any facilities installed at the site to perform overpressure protection, reverse flow protection, excessive flow protection, Gas quality monitoring, Gas metering and measurement, any telemetry, and and telemetry;
- (b) all standby, emergency and safety facilities, and; and
- (c) all ancillary equipment and services.

Insolvency Event means, in respect of a Party (the first person) any one or more of:

- (a) any execution or other process of any court or authority being issued against or levied upon any material part of the first person's property or assets being returned wholly or partly unsatisfied:
- (b) an order being made or a resolution being passed for the winding up or dissolution without winding up of the first person otherwise than for the purpose of reconstruction or amalgamation under a scheme to which the other Party has given consent;
- (c) a Controller being appointed in respect of the whole or a material part of the first person's property, undertaking or assets;
- (d) the first person entering into any arrangement, reconstruction or composition with or for the benefit of its creditors:





- (e) an administrator of the first person being appointed or the board of directors of the first person passing a resolution to the effect of that specified in section 436A(1) of the Corporations Act;
- (f) the first person failing (as defined by section 459F of the Corporations Act) to comply with a statutory demand for an amount in excess of \$1 million; or
- (g) an event having a substantially similar effect to an event described in any of paragraphs (a) to (f) (inclusive) which happens in connection with the first person under the <u>Lawlaw</u> of any jurisdiction.

Interruptible Service means any capacity contracted with a shipper having a priority for curtailment less than for Firm Service and includes Capacity under a Spot Transaction.

ISO means an International Standards Organisation standard.

Kwinana Junction means the location on the DBNGP identified as "Branching Point Kwinana Junction" in the Appendix 1 to the Access Arrangement Information. has the meaning given in Schedule 4.

#### Law:

(a) Law-means aany statute, subsidiary legislation, ordinance, code, clause, by-law, local law, official directive, order, instrument, undertaking, obligation or applicable judicial, administrative or regulatory decree, judgement or order; and includes the terms and conditions of any licence, permit, consent, certificate, authority or approval issued thereunder or any assurance or bond or similar requirements including all applicable standards and obligations under the common law, and:

#### (b) includes:

- the terms and conditions of any licence, permit, consent, certificate, authority, approval or assurance or bond or similar requirements issued under any of the things referred to in paragraph (a); and
- (ii) all applicable standards and obligations under the common law and Equity; but

#### (c) excludes:

- (i) excludes any provision of the Access Regime (except for provisions which apply by force of law to prevail over any inconsistent clause of this Contract); and
- (ii) excludes any requirements of the Regulator (except for requirements which apply by force of law to prevail over any inconsistent clause of this Contract).

To avoid doubt, provisions of the Access Regime and requirements of the Regulator which apply by force of law to prevail over an inconsistent clause of this Contract are **Laws** for the purposes of this definition.

**Load Characteristics** means the relationships between Gas flow and time.

**LPG** means the sum of propane and butane components of Gas.

*Maintain* includes, where necessary, renew or replace.



Maintenance Charge has the meaning given in clause 6.6(i).6.12.

#### Major Works means:

- (a) any Planned Maintenance; and
- (b) Majer Works means any enhancement, expansion, connection, pigging or substantial work that the Operator needs to undertake on the DBNGP and that:
  - (i) cannot reasonably be scheduled at a time when it will not affect Gas Transmission Capacity; and
  - (ii) by its nature or magnitude would require a Reasonable Andand Prudent Person to wholly or partially reduce Gas Transmission Capacity.

**Metering Equipment** means all equipment used to measure either or both the physical quantity or quality of Gas entering the DBNGP at an Inlet Point or exiting the DBNGP at an Outlet Point and all ancillary equipment required to compute Derived Variables and to produce printed reports at the Inlet Station or Outlet Station and to test and Maintain the reliability and calibration accuracy of that equipment (including any metering facilities or equipment that are or could be used for proving, testing and calibration of the equipment).

**Metering Information** means has the information specified meaning given in clause 15.5(d).

**MHQ** for an <u>outlet point Outlet Point</u> on a particular Gas Day in respect of a shipper, means (subject to clause  $17.7(\underline{bc})(vi)$ ) one twenty fourth of the sum of the quantities referred to as Contracted Capacity for that <u>outlet point Outlet Point</u> across all of the shipper's Capacity Services (including  $\underline{\mp}\underline{R}1$  Services and any Capacity under Spot Transactions) for that Gas Day in respect of that shipper.

#### Minimum Bid Price has the meaning given in clause 3.5(e).

**MSC** means metric standard conditions, being a pressure of 101.325 kPa and a temperature of 15 °C.

**Multi-shipper Agreement** means an agreement under clause 6.3(d).

**Multi-shipper Inlet Point** means an inlet point Inlet Point at which more than one shipper Delivers Gas to the Operator.

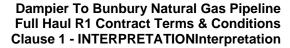
**Multi-shipper Outlet Point** means an <u>outlet point Outlet Point</u> at which more than one shipper Receives Gas from <u>the Operator.</u>

National Gas Access (Western Australia) Law means the provisions applying because of section 7 of the National Gas Access (WA) Act 2009 (WA).

**Networks** means <u>WA Gas Networks Pty Ltd ABN 90 089 531 975 (formerly AlintaGas Networks Pty Ltd ABN 90 089 531 975.).</u>

**New Inlet Point** means an inlet point on the DBNGP, whether existing or planned, to which the Shipper proposes to relocate Contracted Capacity.

**New Outlet Point** means an <u>outlet point Outlet Point</u> on the DBNGP, whether existing or planned, to which <u>the</u> Shipper proposes to relocate Contracted Capacity.





**Nominated Day** means a Gas Day in respect of which an Advance Nomination or Initial Nomination is made.

**Nominated Inlet Point** means an inlet point Inlet Point specified in an Initial Nomination as one at which the Shipper proposes to Deliver Gas to the Operator during the Nominated Day.

**Nominated Outlet Point** means an <u>outlet point Outlet Point</u> specified in an Initial Nomination as one at which <u>the Shipper proposes</u> to Receive Gas from <u>the Operator during the Nominated Day.</u>

**Nominations** shall mean<u>means</u> Initial Nominations or Advance Nominations, and where other contracts for Capacity are being referred to, includes the material equivalent of Initial Nominations or Advance Nominations (as the case may be) under those other contracts.

**Nominations Plan** means the process for allocating Nominations set out in clause 8.98.8 which is based upon the priorities set out in the Curtailment Plan.

**Notice** includes a Tax Invoice, statement, demand, consent, request, application, notification and any other written communication, and includes such a notice communicated by means of facsimile or (if the Parties so agree) by the CRS.

Notional Gate Point has the meaning given in clause 6.10(a).6.10.

**Operate** includes to Maintain, test, or repair.

#### Operating Arrangement means the instrument titled Operating Arrangement between

Transmission Division and Distribution Division of the Gas Corporation under Regulation 199C and dated 9 January 1998 originally annexed to a memorandum of understanding between the Gas Corporation (in its capacity as the corporation's DBNGP business) and the Gas Corporation (in its capacity as the corporation's distribution business), now as a result of transfers under the DBP Act and the Gas Corporation (Business Disposal) Act 1999 (WA) having effect as a contract between Operator and Networks.

**Operating Specification** means the Gas quality specification specified in Item 1 of Schedule 3, and includes each component of the specification.

**Operationally Feasible** means operationally feasible in <u>the</u> Operator's opinion (acting as a Reasonable <u>Andand</u> Prudent Person) in the circumstances prevailing at the relevant time including:

- (a) the configuration and status of the DBNGP at the relevant time;
- (b) the individual and collective Reserved Capacities and Load Characteristics of all shippers;
- (c) Gas Transmission Capacity generally; and
- (d) <u>the Operator's relevant entitlements and obligations under any contract or written Law.</u>

**Operator** means the party named as such on the Access Request Form DBNGP (WA) Transmission Pty Ltd ABN 69 081 609 190 and includes its successors and permitted assigns.

Operator Default Notice has the meaning given in clause 22.6.





**Operator Entity** means <u>the Operator</u>, all of <u>the Operator</u>'s Related Bodies Corporate and all entities Controlled by any of the foregoing.

**Operator Owned Point** means an inlet point or an outlet point <u>Outlet Point</u> described in clauses 6.76.14(a)(ii)(A) or 6.14(a)(ii)(B).

Option has the meaning given in clause 4.3.

Original Capacity has the meaning given in clause 4.3.

Other Charges has the meaning given in clause 20.4.

Other Reserved Service means a Capacity Service offered under a contract which, in the Operator's opinion acting reasonably, has a capacity reservation charge or an allocation reservation deposit or any material equivalent to such charge or deposit which is payable up front or from time to time in respect to the reservation of capacity under that contract for at least a reasonable time into the future (but at all times excluding a +1 Service, P1 Service, BR1 Service, a Firm Service and Capacity under a Spot Transaction).

Other other shipper means any shipper other than:

- (a) Alcoa as a shipper under the Alcoa Exempt Contract (but not otherwise); and
- (b) the Shipper.

Outer Accumulated Imbalance Limit has the meaning given in clause 9.6(a).

Outer Hourly Peaking Limit has the meaning given to it in clause 10.4.

**Outlet Metering Equipment** means Metering Equipment which the Operator is required by clause 15.2(a) to supply, install, Operate and Maintain at an Outlet Station at the Shipper's expense.

Outlet Point means a flange, joint or other point, at which any shipper has Contracted Capacity from time to time for the Receipt by it of Gas from the Operator and, where the context requires, means a flange, joint or other point referred to in clause 3.3(b) at which the Shipper has Contracted Capacity from time to time.

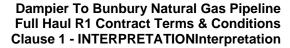
**Outlet Point Operating Specifications** means the Operating Specifications specified in columns 3 or 4 of Item 1 of Schedule 3 (as the case may be).3.

**Outlet Station** means either a Gate Station or the Metering Equipment site associated with a <u>Transmissionan</u> Outlet Point, and includes any facilities installed at the site to perform overpressure protection, reverse flow protection, excessive flow protection, Gas quality monitoring, Gas metering and measurement, and telemetry, and all standby, emergency and safety facilities, and all ancillary equipment and services.

**Out-Of-**<u>of-</u>**Specification Gas** means Gas which does not comply with one or more of the temperature or pressure specifications in this Contract or with one or more components of the Operating Specification, or where relevant with clause 7.2 or-clause 7.3 (as the case may be).

Overrun Charge has the meaning given in clause 11.1(a).

**Overrun Gas** means, for a particular Gas Day and for a particular shipper, means-Gas Received by thetat shipper (across all eutlet pointsOutlet Points) less the aggregate of the quantities referred to as of Contracted Capacity across all theof that shipper's Capacity Services (including T1 Services and any Capacity under Spot TransactionsR1





<u>Service</u>) (across all <u>outlet pointsOutlet Points</u>) on that Gas Day, and, if the preceding calculation produces a negative result, Overrun Gas for that Gas Day equals zero.

Overrun Rate has the meaning given in clause 11.1(b).

<u>P1 Service</u> means a service providing Part Haulcapacity with priority as set out in the Curtailment Plan.

**Part Haul** means a Forward Haul Gas transportation service on the DBNGP which is not Fullwhere the Outlet Point is upstream of Compressor Station 9 on the DBNGP, regardless of the location of the Outlet Point, but does not include Back Haul.

**Party** means the Operator or the Shipper or, where the context requires, the Pipeline Trustee or the DBNGP Trustee (as the case may be) and if the Shipper comprises more than one person, includes each such person.

**Period** means in respect of a shipperthe Shipper's Capacity, a Season or a Gas Month as the case may be for which the shipperShipper's Capacity is quantified.

**Period of Supply** means in respect of particular Contracted Capacity the time period between:

- (a) the relevant Capacity Start Date; and
- (b) the relevant Capacity End Date.

**Physical Gate Point** means a flange, joint or other point marked in the description of the DBNGP system in the Access Arrangement Information as a point that marks the boundary between the DBNGP and a Distribution Network. A Physical Gate Point is not an outlet pointOutlet Point.

Pipeline Trust has the meaning given in clause 25.5(ab).

*Pipeline Trustee* means DBNGP (WA) Nominees Pty Ltd (ACN 081 609 289 ABN 78 081 609 289.

<u>Pipeline Zone 1</u> means the area of the DBNGP immediately downstream of the Dampier Inlet Point and upstream of 1 kilometre downstream of the CS2 Station Downstream Isolating Valve (MLV30).

<u>Pipeline Zone 2</u> means the area of the DBNGP immediately downstream of 1 kilometre downstream of CS2 Station Downstream Isolating Valve and immediately upstream of 1 kilometre downstream of the CS3 Station Downstream Isolating Valve (MLV42).

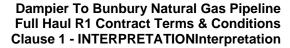
Pipeline Zone 10 means the area of the DBNGP which is downstream of:

- (a) the upstream flange of Kwinana Junction valve V4; and
- (b) the upstream flange of Kwinana Junction valve HV401A.

**Pipeline Zone 10B** means the area of the DBNGP on mainline South, being downstream of the outlet flange of compressor station 10.

**Planned Maintenance** means maintenance of the DBNGP which is scheduled in advance and of which the Shipper is given reasonable, and in any event not less than 3 Gas Days, written notice.

**Point Specific Curtailment** means a Curtailment as it affects or applies to a particular inlet point inlet Point or outlet point Outlet Point.





**Possession** includes custody, control, and an immediate right to possession, custody, or control.

**Prescribed Interest Rate** means the Bank Bill Rate plus an annual interest rate of 3 percent per annum.

**Prescribed Limits of Uncertainty** means the limits of metering uncertainty prescribed by clause 15.3.

**Previous Verification** means the Verification at which the Primary Metering Equipment was last found to be measuring the quantity of Gas accurately Accurate.

**Primary Metering Equipment** means the Inlet Metering Equipment or the Outlet Metering Equipment, as the case may be.

**Producer** means a producer or supplier of Gas with whom the Shipper has entered into a Gas supply contract or contracts under which Gas is to Delivered at an Inlet Point.

R1 Capacity has the meaning given in clause 3.2(b).

R1 Capacity Reservation Tariff means 80% of the R1 Tariff from time to time.

<u>R1 Commodity Tariff</u> means the R1 Tariff at any time minus the R1 Capacity Reservation Tariff at that time.

<u>R1 Contract</u> means any contract between the Operator and a shipper for a R1 Service, and to avoid doubt includes this Contract.

R1 Permissible Curtailment Limit has the meaning given in clause 17.3(c).

R1 Service has the meaning given in clause 3.2(a).

<u>R1 Tariff</u> means the reference tariff for R1 Service set out in section 3 of the Access Arrangement, as adjusted by the Reference Tariff Variation Mechanism from time to time.

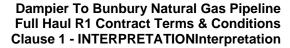
**Reasonable Andand Prudent Person** means a person acting in good faith with the intention of performing his or her contractual obligations and who in so doing and in the general conduct of his or her undertaking exercises that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be exercised by a skilled and experienced person complying with recognised standards and applicable Laws engaged in the same type of undertaking under the same or similar circumstances and conditions.

**Receive** means to accept or receive Gas <u>into or from the DBNGP (as the case requires)</u> and includes Gas deemed by this Contract to be received at an <u>inlet point or outlet point or Outlet Point</u> (including a Multi-shipper Inlet Point or Multi-shipper Outlet Point).

<u>Reference Tariff Variation Mechanism</u> means the mechanism for varying the R1 Tariff as set out in secton 11 of the Access Arrangement.

**Regulator** means **local Regulator** as this term is defined in section 11 of the Gas Pipelines Access (Western Australia) Act 1998 (WA), being the ERA.

**Related Body Corporate** has the meaning given in the Corporations Act as at the Execution Date.





<u>Related Entity</u> has the meaning given to that expression in the Corporations Act as at the Execution Date.

**Relative Density** is expressed at MSC and means the molar mass of a Gas in g/mol divided by 28.9641 g/mol (being the molar mass of dry air as defined in ISO 6976) and corrected for the effect of deviation from ideal Gas behaviour upon both air and Gas.

**Relevant Company** means the direct and indirect shareholders of <u>the Operator</u>, service providers to <u>the Operator</u> (including <u>the System Operator</u>) and all Related Bodies Corporate of those entities.

**Relevant Construction Costs** means the Relevant Gate Station Construction Costs and/or Relevant Outlet Station Construction Costs (as the case may require).

Relevant Contracts has the meaning given in clause 7.13.

**REMCo** means the company established to administer and operate the approved retail market scheme for the retail gas market in Western Australia and includes any company, person or authority from time to time undertaking that role, being Retail Energy Market Company Limited (ACN 103 318 556) of Level 40, 140 William Street, Melbourne, Victoria 3000.

**Remote Data** is defined in clause 15.4(d).

**Renomination** has the meaning given in clause 8.10.8.11.

**Replacement Contract** means the contract which is deemed to arise between the Operator and a Replacement Shipper by clause 27.7 following the Transfer of Tradeable Capacity to the Replacement Shipper.

**Replacement Shipper** has the meaning given in clause 27.3.

Request Forfor Approval has the meaning given in clause 27.4(a).

Requested Relocation has the meaning given in clause 14.1.

**Reserved Capacity** means, subject to any changes from time to time made pursuant to the Curtailment Plan:

- (a) the Distribution Networks IPQ, Alcoa's Priority Quantity, Alcoa's Exempt Delivery Entitlement; and
- (b) Capacity referred to in any contract for a Type of Capacity Service as "Contracted Capacity" where such "Contracted Capacity" may, at the relevant time, be nominated for delivery to the relevant inlet point Inlet Point or outlet point Outlet Point (if any) pursuant to that Capacity Service (regardless of the level of interruptibility of the service at an inlet point Inlet Point or an outlet point Outlet Point (as the case may be)).

**Resumption** means a resumption by the Shipper of all or part of Traded Capacity in accordance with the Transfer Terms.

**Resumption Notice** means a notice issued by <u>the Shipper that the Shipper intends to Resume all or part of Traded Capacity.</u>

**Retail Market Rules** means the retail market rules that govern, or will govern when operative, the retail gas market in Western Australia.



<u>Rules</u> means the National Gas Rules referred to in section 294 of the National Gas Access (Western Australia) Law.

Season means either Summer or Winter.

**Share of the Distribution Networks' IPQ** means a shipper's pro-rata share of the Distribution Networks' IPQ, based on its Nominations into the Distribution Networks, unless the Distribution Networks Shippers all agree to a different allocation policy and advise the Operator thereof.

**shipper** means <u>aany</u> person who, from time to time, has a contract with <u>the Operator</u> for access to Gas Transmission Capacity, <u>whichand</u> includes <u>the Shipper</u>.

**Shipper** means the party specified in the Access Request. so described where the parties to this Contract are named on its first page.

Shipper Default Notice has the meaning given in clause 22.2.

SI <u>Units</u> means the <u>units</u> of <u>Le Système</u> International <del>System of Units</del> <u>d'Unités</u> established by the <u>Conférence Générale des Poids et Mesures</u> set out in AS1000-1979.

**Spot Capacity** means any capacity on the DBNGPGas Transmission Capacity on a Gas Day (being the capacityGas Transmission Capacity available after all Nominations for Reserved Capacity for that Gas Day has been allocatedscheduled by the Operator for that Gas Day), which capacityGas Transmission Capacity, is, according to the Operator (acting in good faith) available for purchase.

**Spot Transaction** means a transaction for the sale and purchase of Spot Capacity between the Operator and a shipper-on terms and conditions which are consistent with those contemplated in clause 3.5..

Standard Shipper Contract means the Operator's Standard Shipper Contract as at 27 October 2004.

State means the State of Western Australia.

**Storage Service** means a service to store Gas on the DBNGP which is provided on terms and conditions as published on the Operator's website from time to time.

**Sub-network** means that part of a Distribution Network which operates at a nominal pressure in excess of 300 kPa, which for the purposes of Gasgas flow is not directly connected with any other part of the Distribution Network which operates at a nominal pressure in excess of 300 kPa.

**Summer** means the period from 08:00 hours on 1 November of a year to 08:00 hours on 1 May of the following year.

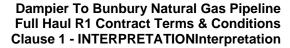
**Surcharges** means the charges referred to in clauses  $\underline{5.10(c)}$  and  $\underline{20.4(a)}(i)$  to  $\underline{20.4(a)}(iv)$  inclusive.

**System Curtailment** means a Curtailment which affects more than one inlet point Inlet Point or outlet point Outlet Point.

**System Operator** has the meaning given in clause 2.5(a).

System Use Gas means Gas used by the Operator for the following purposes:

(a) replacing Gas consumed in the operation of the DBNGP (including, but not limited to:





- (i) compressor fuel;
- (ii) gas engine alternator fuel;
- (iii) heater fuel; and
- (iv) increases to linepack, other than:
  - A. when caused by or for the purposes of a supply of linepack gas to a third party under a balancing or back up service arrangement; or
  - B. repacking the linepack of the DBNGP after an Expansion which involves looping of the pipeline); and
- (b) replacing gas which leaks or otherwise escapes from the DBNGP (whether in normal operational circumstances or due to any rupture or other abnormal leakage) and Gas vented as part of the normal operation of the DBNGP.
- T1 Capacity or Tranche 1 Capacity has the meaning given in clause 3.2(b).
- T1 Capacity Reservation Tariff means the T1 Capacity Reservation Tariff set out in Schedule 2 as amended from time to time in accordance with clause 20.5.
- **T1 Commodity Tariff** means the T1 Commodity Tariff set out in Schedule 2 as amended from time to time in accordance with clause 20.5.
- T1 Contract means any contract between Operator and a shipper for a T1 Service, and to avoid doubt includes this Contract.
- T1 Cut-off has the meaning given in clause 3.2(b)(ii).
- T1 Permissible Curtailment Limit has the meaning given in clause 17.3(c).
- T1 Reference Tariff means the T1 Capacity Reservation Tariff and the T1 Commodity Reservation

  Tariff.
- T1 Service has the meaning given in clause 3.2(a) and clause 6.2 of the Access Arrangement.

**Tax** means a tax, levy, charge, impost, fee, deduction, withholding or duty of any nature (other than income tax, capital gains tax, fines or penalties).

Tax Invoice has the meaning given to it in the GST Law.

**Technical Matter** has the meaning given to it in clause 24.7.

**Technically Practicable** means technically feasible and practicable consistent with the safe and reliable operation of the DBNGP, in the view of a Reasonable Andand Prudent Person.

Terminated Capacity has the meaning given in clause 22.1022.11(dc)-

#### TJ means terajoule.

TJ/d means a TJterajoules per Gas Day.

**Total Contracted Capacity** means in respect of a particular shipper in respect of the T1 Service one or more particular Capacity Services (as the case may be) at a particular time:



- (a) in relation to inlet points Inlet Points, the sum of the shipper's Contracted Capacity for all inlet points Inlet Points; and
- (b) in relation to <u>outlet pointsOutlet Points</u>, the sum of the shipper's Contracted Capacity for all <u>outlet points</u>Outlet Points.

**Total Current Physical Capacity** means the total physical Gas throughput Capacity at the relevant time (having regard to all associated facilities) of an inlet point or an outlet point of an operating within its technical design parameters, as the case may be, in the Operator's opinion as a Reasonable Andand Prudent Person.

**Total Inlet Quantity** means the total quantity (across all inlet points Inlet Points) of Gas Delivered to the Operator by the Shipper on a Gas Day across all contracts (including Spot Transactions).

**Total Outlet Quantity** means the total quantity (across all outlet points Outlet Points) of Gas Received by the Shipper from the Operator on a Gas Day across all contracts (including Spot Transactions).

**Total Physical Capacity** means the Total Current Physical Capacity as at the commencement of the Access Arrangement Period Execution Date.

Tp Service is an Other Reserved Service.

*Tradeable Capacity* has the meaning given in clause 27.4(a).

**Traded Capacity** is any Tradeable Capacity which has been Transferred to a Replacement Shipper following the approval or deemed approval of the Transfer Terms of that Tradeable Capacity.

*Transfer* includes transfer, assign to or otherwise grant an interest in or entitlement to Tradeable Capacity.

**Transfer Terms** means the terms and conditions, set out in a Request Forfor Approval, on which a shipper is prepared to Transfer Tradeable Capacity to a Replacement Shipper.

*Transmission Outlet Point* means an outlet point <u>Outlet Point</u> which is not a Notional Gate Point.

Type of Capacity Service has the meaning given in clause 8.98.8(b).

**Unavailable Overrun Charge** means the charge payable under clause 11.6 and clause 17.8(e).

Unavailable Overrun Rate means the rate specified in row 4 of Schedule 2.

*Unavailability Notice* has the meaning given in clause 11.2(a).

**Verification** means the process of testing all Metering Equipment and all components of Metering Equipment to establish its calibration accuracy.

<u>WestNet</u> means WestNet Infrastructure Group Ltd (ABN 40 087 857 001) (formerly Alinta 2000 Limited).

*Winter* means the period from 08:00 hours on 1 May in a year to 08:00 hours on 1 November of the same year.





**WLPG Plant** means the LPG extraction plant fronting Leath and Mason Roads, Kwinana, that is operated by Wesfarmers LPG Pty Ltd.

Wobbe Index means the number obtained by the formula:

$$Wobbelndex = \frac{HigherHeatingValue}{\sqrt{\text{Re lativeDensity}}}$$

**Working Day** means any Monday, Tuesday, Wednesday, Thursday or Friday which is not gazetted as a public holiday in the Perth metropolitan area.

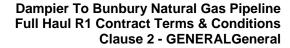


#### 2. **GENERAL**General

#### 2.1 Construction generally

In the construction of this Contract, unless the context requires otherwise:

- (a) a reference to a clause-number or Schedule is a reference to a clause or Schedule of this Contract;
- (b) words indicating the singular number include the plural number and vice versa;
- (c) words indicating of one gender include anythe corresponding words of all other gendergenders;
- (d) words indicating persons include natural persons, bodies corporate and unincorporated associations;
- (e) a reference to any statutory <u>law\_Law</u> extends to and includes <u>any regulations</u> <u>under that Law and</u> any amendment of, modification of, or substitution for, that <u>law\_Law</u>;
- (f) a reference to any contract or agreement is a reference to that contract or agreement as amended, varied, novated or substituted from time to time;
- (g) references to dollars or \$ are references to Australian dollars;
- (h) a reference to a time and date in connection with the performance of an obligation by a Party is a reference to the time and date in Perth, Western Australia, even if the obligation is tomust be performed elsewhere;
- (i) all time is expressed in a 24-hour format, with each day (but not a Gas Day) commencing at 00:00 hours and ending at 24:00 hours; and
- (j) unless specified otherwise, reference to a quantity of Gas is a reference to that quantity of Gas measured in GJ;
- (k) unless otherwise indicated, all units of measurement used in this Contract are SI units Units as they are applied as Australian legal units of measurement under the National Measurement Act 1960 (Cth);
- (I) unless the contrary intention appears, the interpretation provisions of the *Interpretation Act 1984* (WA) apply to the interpretation of this Contract;
- (m) any grammatical or linguistic variation of a defined word or expression has a corresponding meaning;
- (n) any specific reference to or listing of items following the words including, for example or such as is without limitation and does not exclude application to other items, whether or not in the same class, category or genus as any specified or listed items;
- (o) under includes by, by virtue of, pursuant to and in accordance with; and
- (p) a reference to rights, entitlements, obligations or terms "materially equivalent" or the "same" (in comparison to rights, entitlements, obligations or terms in this Contract or in comparison to other rights, entitlements, obligations or terms (as the case may be)) or any similar expressions shall be general to mean rights, entitlements, obligations or terms that are, in the opinion of a





Reasonable <u>Andand</u> Prudent Person, materially equivalent to the relevant rights, entitlements, obligations or terms in this Contract or those other rights, entitlements, obligations or terms (as the case may be).

#### 2.2 Headings

Headings are inserted for convenience and do not affect the interpretation of this Contract.

#### 2.3 Rounding to a certain number

Any number calculated under this Contract which exceeds six decimal places is tomust be rounded to six decimal places. For the purposes of such rounding, if the digit at the seventh decimal place is:

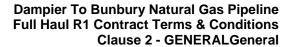
- (a) between zero and four (inclusive), the number is to must be rounded down to the nearest sixth decimal place; and
- (b) between five and nine (inclusive), the number is to<u>must</u> be rounded up to the nearest sixth decimal place.

#### 2.4 Other contracts

Where the context requires, a term which is defined in this Contract (including T1 Service, P1 Service, B1 Service, Aggregated TR1 Service, Other Reserved Service, Contracted Capacity, and Total Contracted Capacity) includes the same concept in another any other contract in relation to the Shipper or in relation to another any other shipper (as the case may require).

#### 2.5 System Operator

- (a) <u>The Operator's rights and powers under this Contract may be delegated to a contractor (**System Operator**) who is entitled to exercise, on behalf of <u>the Operator</u>, all such rights and powers conferred on <u>the Operator</u>.</u>
- (b) System Operator will be the person (if any) identified as such in the Access Request Form until such time as Operator gives The Operator may from time to time give notice in writing to the Shipper that that person no longer acts as System Operator, in which case it must give notice of the person (if any) that is to act as System Operator in that person's place as to the details of the System Operator.
- (c) Any act, matter or thing done by <a href="mailto:the-">the</a> System Operator in respect of this Contract or in the performance of obligations related to this Contract in either its own name or in the name of <a href="mailto:the-">the</a> Operator is deemed to have been done by <a href="mailto:the-">the</a> Operator and <a href="mailto:the-">the</a> Operator agrees to ratify and confirm whatsoever <a href="mailto:the-">the</a> System Operator does or causes to be done by virtue of, or purportedly by virtue of, the powers contained in this Contract.
- (d) Without limiting clause 2.5(c), any communication or notice given, or document signed, by <a href="mailto:the-superstand-will-blad-w
- (e) <u>The Operator must procure that the System Operator complies with the requirements of section 4 (Ring Fencing Arrangements) of the Code National</u>





<u>Third Party Access Rules for Natural Gas Pipeline Systems</u> as if it were a 'Service Provider' for the purposes of that section.

#### 2.6 Interpretation of Inlet Points

If an Inlet Point specified in the Access Request Form is the BEP Inlet Point, the point on the DBNGP described in Schedule 4 as "I-1-01", or both and the amount of Contracted Capacity nominated in the Access Request Form is stated to include an amount of Gas to be Delivered by the Shipper to the Operator at the BEP Inlet Point (BEP Inlet Point Capacity), then any amount of Gas Delivered to the BEP Inlet Point in excess of the BEP Inlet Point Capacity is deemed not to have been delivered into the DBNGP.

#### 2.7 Access Regime and Regulator's requirements as Laws

To avoid doubt, any provisions of the Access Regime and any requirements of the Regulator that prevail by force of law over an inconsistent clause of this Contract are Laws for the purposes of this Contract, but neither Party may seek to procure an amendment to an access arrangement under the Access Regime if the purpose for which such amendment is sought is to affect materially and adversely any of the other Party's rights and obligations under this Contract that are not general rights and obligations applicable to all shippers.



#### 3. CAPACITY SERVICE Capacity Service

#### 3.1 Operator to provide **TR1** Service to Shipper

During the Period of Supply, <u>the Operator</u> will provide the  $\mp \underline{R}1$  Service to <u>the Shipper</u> and <u>the Shipper</u> agrees to accept the  $\mp \underline{R}1$  Service from <u>the Operator</u> on the terms and conditions of this Contract.

#### 3.2 Capacity Service

- (a) The <u>TR</u>1 Service is the <u>Full Haul</u> Gas transportation service <u>provided under</u> this Contract which gives <u>the Shipper a right, subject to the terms and conditions of this Contract, to <u>of</u> access <u>capacity of the DBNGPto Gas</u> <u>Transmission Capacity</u> and which, {subject, in all cases, to <u>clauses 8.15 and clause 17.9}</u>:</u>
  - (i) can only be Curtailed in the circumstances specified in clause 17.2;
  - (i) is treated the same in the Curtailment Plan as all other shippers with a TR1 Service, including the TaP1 Service under the Standard Shipper Contractor a B1 Service, and in the order of priority with respect to other Types of Capacity Service set out in clause 17.9; and
  - (ii) is treated the same in the Nominations Plan as all other shippers with a TR1 Service, including the TaP1 Service under the Standard Shipper Contractor a B1 Service, and in the order of priority with respect to other Types of Capacity Service referred to in clause 8.9.8.8.
- (b) Operator acknowledges and agrees: R1 Capacity is the average amount of Gas Transmission Capacity, estimated by the Operator in accordance with Good Gas Industry Practice, through Kwinana Junction on each Gas Day in the month of January of each year with the most critical compressor unit upstream of Kwinana Junction off-line.
  - (i) Tranche 1 Capacity in the DBNGP comprises the amount of Gas Transmission Capacity which lies between zero and the T1 Cutoff:
  - (ii) the T1 Cut-off is the amount of Gas Transmission Capacity at which the probability of supply for the next GJ of Gas to be transported in the DBNGP is 98% for each Period of a Gas Year;
  - (iii) whenever there is a material change (other than a short term change) in the configuration of the DBNGP which will or might change the probability of supply at the T1 Cut-off for any or all Periods in a Gas Year, Operator, acting as a Reasonable And Prudent Person, shall undertake a re-determination in accordance with clause 3.2(b)(ii) of the T1 Cut-off for each Period in which the T1 Cut-off has changed; and
  - (iv) acting as a Reasonable And Prudent Person, Operator shall ensure that the sum of:
    - (A) T1 Service (including under this Contract) which it has contracted to provide to Shipper and all other shippers; and



#### Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 3 - CAPACITY SERVICECapacity Service

(B) Alcoa's Exempt Capacity,

does not materially exceed the amount of T1 Capacity in the DBNGP.

- (c) Shipper acknowledges and agrees that, subject to clause 14, the T1 Service is a Full Haul Service and cannot be:
  - (i) Back Haul; or
  - (ii) Part Haul.
- (d) In this clause 3.2 **probability of supply** means the probability that Gas
  Transmission Capacity in the DBNGP will not, for any reason other than
  Major Works, fall below a particular cut-off level.
- (e) For the avoidance of doubt, Alcoa's Exempt Capacity is provided by Operator out of Tranche 1 Capacity in the DBNGP.

#### 3.3 Contracted Capacity

Subject to this Contract, The Shipper's **Contracted Capacity** for each Gas Day within a Period under this Contract:

- (a) at an Inlet Point specified in item 1 of clause 5 of the Access Request Form is the amount for TR1 Service set out in item 1 of clause 5 of the Access Request Form for that Period; and
- (b) at an Outlet Point specified in item 2 of clause 5 of the Access Request Form

   is the amount for <u>TR</u>1 Service set out in item 2 of clause 5 of the Access
   Request Form for that Period.

#### 3.4 Operator must deliver Gas up to Contracted Capacity

During the Period of Supply, subject to the terms and conditions of this Contract (including clauses 5 and 17), the Operator willmust deliver on each Gas Day (aggregated across all Outlet Points) the quantity of Gas required by the Shipper up to the Shipper's Total Contracted Capacity plus any Spot Capacity allocated to Shipper for the Gas Day.

#### 3.5 Spot Capacity

- (a) The Parties agree that, until otherwise agreed, the following principles shall apply to Spot Capacity and Spot Transactions (as the case may be).
- (b) If Shipper seeks to bid for Spot Capacity for a Gas Day it must by notice to Operator at any time no later than 15:00 hours on the Gas Day before that Gas Day notify Operator of the amount of Spot Capacity it requires for that Gas Day (Daily Bid) and the price it offers to pay for that Spot Capacity for that Gas Day (the Daily Spot Bid Price).
- (c) Operator must by no later than 16:00 hours on each Gas Day before the relevant Gas Day allocate Spot Capacity for a Gas Day between Daily Bids on the basis (subject to clause 3.5(e)) of the Shipper bidding the highest Daily Spot Bid Price for that Gas Day being allocated the Spot Capacity it bid for, the shipper bidding the second highest Daily Spot Bid Price for that Gas Day being allocated the Spot Capacity it bid for, and so on until all Daily Bids are satisfied or until all available Spot Capacity is allocated to Daily Bids. If two or more shippers bid the same Daily Spot Bid Price and there is not sufficient available Capacity to allocate to each of them the amount of Spot



#### Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 3 - CAPACITY SERVICECapacity Service

Capacity bid for by each of them, the Spot Capacity available to be allocated between them shall be allocated in proportion to the amount of Spot Capacity bid for by each of them respectively at the said Daily Spot Bid Price for that Gas Day. Subject to clause 3.5(f), if Shipper is allocated Spot Capacity for a Gas Day in (d) response to a Daily Bid Shipper must pay the Daily Spot Bid Price bid by it for that Spot Capacity for that Gas Day whether or not it uses the Spot Capacity. Operator may set a minimum bid price (*Minimum Bid Price*) for Daily Bids <del>(e)</del> and is not obliged to allocate Spot Capacity to any shipper bidding a Daily Spot Bid Price which is less than the Minimum Bid Price. The Minimum Bid Price for Daily Bids may not be set by Operator at a price greater than 115% of the T1 Reference Tariff applying on the relevant Gas Day. Shipper is relieved from paying the Daily Spot Bid Price in relation to Spot Capacity allocated to it for a Gas Day only where: Operator interrupts or Curtails the Spot Capacity which has been allocated to Shipper, and then only to the extent of that interruption or Curtailment; or Shipper does not use the Spot Capacity which has been allocated to it in circumstances where there were no other shippers bidding for Spot Capacity for that Gas Day to which the Spot Capacity allocated to Shipper could otherwise have been allocated. Operator must provide the following information to Shipper in respect of each <del>(g)</del> Gas Day as soon as practicable after that Gas Day: the quantities the subject of Daily Bids which relate to that Gas Day; the quantities of Spot Capacity allocated for that Gas Day; and the Daily Spot Bid Prices for all bids allocated Spot Capacity for that Gas Day. Operator will not bid for Spot Capacity and if an Operator Entity, Alcoa, Alinta (h) Limited (ABN 40 087 857 001) or a Related Body Corporate of either Alcoa or Alinta Limited bids and is allocated Spot Capacity, Operator must indicate on the CRS that the relevant Spot Capacity has been allocated to an Operator Entity without disclosing the identity of the entity. Operator must ensure that the rules governing the market for Spot Capacity are designed with a view to achieving a market with the following objectives: non-discriminatory in respect of the terms and conditions upon which, and the circumstances in which, Spot Capacity is granted to shippers; hindering market manipulation and gaming by Operator or other shippers; and (iii) consistent with this clause 3.5.



#### Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 4 - DURATION OF THE CONTRACTDuration of the Contract

#### 4. DURATION OF THE CONTRACT Duration of the Contract

#### 4.1 Capacity Start Date

- <u>(a) The Capacity Start Date is 08:00 hours on the date specified in the Access Request Form.</u>
- (b) Requests from the Shipper for any amendment to the Capacity Start Date will be considered by the Operator with terms and conditions for any such amendment to be agreed between the parties giving regard to the Operator's circumstances at the time of the request.

#### 4.2 Term

- (a) Subject to the terms and conditions of this Contract, including clause 4.3, the Capacity End Date is 08:00 hours on the date specified in the Access Request Form as the Capacity End Date.
- (b) Subject to the terms and conditions of this Contract, this Contract ends on the last of the Capacity End Dates.

#### 4.2 Capacity Start Date

The Capacity Start Date is 08:00 hours on the date for commencement of access to the T1 Service as specified in the Access Request Form.

#### 4.3 Option to renew Contract

Subject to clauses 4.4, 4.5, 4.6 and 4.7, <u>the Shipper has two options (each an *Option*)</u> to extend <u>by 5 years</u> the Capacity End Date in respect of Contracted Capacity the subject of this Contract as at the Capacity Start Date (*Original Capacity*) each for a period of 1 year (*Option*).

#### 4.4 Conditions to be satisfied before exercising an Option

<u>A notice given by the Shipper-may only validly give notice</u> exercising an Option if <u>is not valid unless the</u> Shipper:

- (a) is not, at the time the Shipper gives notice, in default (within the meaning of clause 22.1) under this Contract in a way which is material in the context of this Contract as a whole at the time Shipper gives notice; and
- (b) complies with the requirements of clause 4.5 of this Contract. 4.5.

#### 4.5 Notice exercising an Option

Not later than 330 months before the Capacity End Date, the Shipper may give written notice to the Operator that it wishes to exercise an Option. If such notice is not given before such time, the Option lapses, and is of no force and of effect whatsoever, and cannot be exercised and, if the Option is the first of the two Options, the second Option also lapses and is of no force or effect whatsoever and cannot be exercised.

#### 4.6 First Option Period

If <u>the</u> Shipper gives a notice in accordance with clause 4.5 exercising the first <del>option</del> given to it under clause 4.3, Option, then the Period of Supply for the Original Capacity under this Contract will be extended for a period of 1 year sextended to 08:00 hours on the date occurring 20 years after the Capacity Start Date and:



### Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 4 - DURATION OF THE CONTRACTDuration of the Contract

- (a) the Capacity End Date for the Original Capacity (as defined in clause 4.14.2(a)) is amended to 08:00 hours on that date;
- (b) the extension of the Period of Supply for the Original Capacity is subject to the condition that, in the period between the giving of a notice under clause 4.5 and 08:00 hours on the date occurring 15 years after the Capacity Start Date, this Contract is not validly terminated for the Shipper's default (within the meaning of clause 22.1); and
- (c) this clause 4.6 (relating to the exercise of the <u>first Option</u>) will have <u>has</u> no effect after 08:00 hours on the date <del>originally specified in the Access Request Form as</del>occurring 15 years after the Capacity <del>End</del>Start Date.

#### 4.7 Second Option Period

If <u>the Shipper</u> has exercised the first option under clause 4.3 Option and gives a notice in accordance with clause 4.5 exercising the second option given to it under clause 4.3 Option, then the Period of Supply for the Original Capacity under this Contract will be extended for a period of another year extended to 08:00 hours on the date occurring 25 years after the Capacity Start Date and:

- (a) the Capacity End Date for the Original Capacity (as amended by the previous operation of clause 4.6(a)) is amended to 08:00 hours on that date; and
- (b) the extension of the Period of Supply is subject to the condition that, in the period between the giving of the notice under clause 4.5 and 08:00 hours on the date occurring 20 years after the Capacity Start Date, this Contract is not validly terminated for the Shipper's default (within the meaning of clause 22.1); and
- (c) clauses 4.3, 4.4, 4.5 and this clause 4.7 (all relating to the exercise of the <a href="mailto:second">second</a> Option) will have <a href="mailto:have has no effect after 8:00">hours on the date that is one year occurring 20 years</a> after the date that was originally specified in the <a href="mailto:Access Request Form as the Capacity EndStart">Access Request Form as the Capacity EndStart</a> Date.



#### 5. RECEIVING AND DELIVERING GASReceiving and Delivering Gas

#### 5.1 ReceiptShipper may Deliver and Delivery of Receive Gas

Subject to this Contract, during the Period of Supply, Shipper may on each Gas Day Deliver at the Inlet Points on the DBNGP Gas up to its Contracted Capacity aggregated across all inlet points on the DBNGP (plus any Capacity under a Spot Transaction) and may Receive the Gas Delivered by Operator to it at the Outlet Points on the DBNGP on that Gas Day up to its Contracted Capacity aggregated across all outlet points on the DBNGP (plus any Capacity under a Spot Transaction) any other provision of this Contract, the Shipper, on each Gas Day during the Period of Supply:

- (a) may Deliver to the Operator at the Inlet Points a quantity of Gas up to its
  Contracted Capacity aggregated across all Inlet Points on the DBNGP, and
- (b) may Receive from the Operator at the Outlet Points a quantity of gas Gas up to its Contracted Capacity aggregated across all Outlet Points on the DBNGP.

#### 5.2 Operator must Receive and Deliver Gas

Subject to any other provision of this Contract, the Operator, on each Gas Day during the Period of Supply:

- <u>must Receive at the Nominated Inlet Points the quantity of Gas Delivered by the Shipper under clause 5.1(a); and</u>
- (b) Subjectmust Deliver to this Contract, ifthe Shipper offers Gas for Delivery to Operator at inlet points on the DBNGP, Operator must Receive that Gas from Shipper up to at the Nominated Outlet Points a quantity of Gas up to the Shipper's Contracted Capacity aggregated across all inlet points on the DBNGP (plus any Capacity under a Spot Transaction) and Operator must deliver Gas to Shipper at nominated outlet points up to its Contracted Capacity aggregated across all outlet points on the DBNGP (plus any Capacity under a Spot Transaction)Outlet Points on the DBNGP.

#### 5.3 Operator may refuse to Receive Gas

In addition to any other rights and remedies that may be available to it under this Contract or under <u>any Law-or in equity, the</u> Operator may (subject to clause 5.4(a)), without prior notice to <u>the Shipper</u>, refuse to Receive Gas from <u>the Shipper</u> at an Inlet <u>pointPoint in all or any of the following cases:</u>

- (a) to the extent that <u>the</u> Operator is entitled to refuse to Receive Gas under <u>all</u> <u>or any of</u>:
  - (i) clause 7.6 (Operator and Shipper may refuse to Receive Out-Ofof-Specification Gas);
  - (ii) clause 9.5(b)(iv) (Accumulated Imbalance Limit);
  - (iii) clause 9.89.7(eb) (Remedies for breach of imbalance limits); and
  - (iv) clause 17.8(c) (Compliance with a Curtailment Notice); or
  - (iv) clause 22.4(a) (Remedies for the Shipper's default);



- (b) to the extent that <u>the</u> Operator is relieved from so doing under clause 19 (Force Majeure);
- (c) to the extent that <u>the</u> Operator considers as a Reasonable <u>Andand</u> Prudent Person that it would be unsafe to Receive that Gas;
- (d) to the extent that Receipt by <u>the</u> Operator of that Gas would cause the DBNGP to exceed its maximum allowable operating pressure;
- (e) by reason of, or in response to a reduction in Gas Transmission Capacity caused by the negligence, breach of contractual term or other misconduct of the Shipper;
- (f) to the extent that <u>the</u> Shipper has not entered into any agreement in relation to that <u>inlet point</u> required by clause 6.76.14; <u>orand</u>
- (f) to the extent that the Receipt of that Gas for a Gas Day at an inlet point is in excess of the aggregate of the following (in respect of that inlet point for that Gas Day):
  - (i) the sum of Shipper's Contracted Capacity for that inlet point;
  - (ii) Shipper's Aggregated Service Allocated Daily Nomination in respect of that inlet point for that Gas Day; and
  - (iii) any Spot Capacity allocated to Shipper for that Gas Day;
- ifto the extent that the Receipt of that Gas for a Gas Day at an Inlet Point is in excess of the aggregate of the following in respect of that Inlet Point for that Gas Day all of the Shipper's Contracted Capacity; if the Operator considers as a Reasonable Andand Prudent Person that to Receive such Gas would interfere with other shippers' rights to their Contracted Firm Capacity.

#### 5.4 Notification of refusal to Receive Gas

Without affecting the Operator's rights under clause 5.3, the Operator must:

- (a) use its reasonable endeavours to give <u>the Shipper</u> advance notice which is reasonable in the circumstances of any impending refusal to Receive Gas;
- (b) if it does not give <u>the Shipper advance notice under clause 5.4(a)</u> of a refusal to Receive Gas, <u>Operator must notify the Shipper of that refusal as soon as practicable after that refusal; and</u>
- (c) notify <u>the Shipper</u> (in reasonable detail) of the reasons for a refusal to Receive Gas-as soon as practicable.

#### 5.5 Refusal to Receive Gas is a Curtailment in limited circumstances

To the extent that a refusal to Receive such Gas under clauses 5.3(c) and 5.3(d) would not have occurred if Operator had taken the steps which would be expected of a Reasonable And Prudent Person to avoid the need for, or failing such avoidance, to minimise the magnitude and duration of, the refusal to Receive Gas, a refusal to Receive Gas under clauses 5.3(c) and 5.3(d):

- (a) is a Curtailment for the purposes of this Contract; and
- (b) shall be taken into account in determining whether Curtailments aggregated over a Gas Year cause the T1 Permissible Curtailment Limit to be exceeded.



#### 5.5 No liability for refusal to Receive Gas

Subject to clause 23.2 and subject to any liability under clause 17 arising from a refusal of a type referred to in clause 5.5,23.2, the Operator is not liable for any Direct Damage or Indirect Damage caused by or arising out of any refusal to Receive Gas under clause 5.3.

#### 5.6 Refusal Operator may refuse to Deliver Gas

In addition to any other rights and remedies that may be available to it under this Contract or under <u>any Law-or in equity</u>, <u>the Operator may refuse to Deliver Gas to the Shipper at an Outlet <del>point Point in all or any of the following cases:</del></u>

- (a) to the extent that <u>the Operator</u> is entitled to refuse to Deliver Gas under <u>all or</u> any of:
  - (i) clause 7.6 (Operator and Shipper may refuse to Receive Out-of-Specification Gas);
  - (ii) clause 9.5(b)(iv) (Accumulated Imbalance Limit);
  - (iii) clause 9.89.7(eb) (Remedies for breach of Imbalance Limitimbalance limit);
  - (iv) clause 10.3(a)(ivii) (Consequence Consequences of exceeding Hourly Peaking Limit);
  - (v) clause 10.610.5(c) (Remedies for breach of Peaking Limits);
  - (vi) clause 11.5 (Operator may refuse to Deliver Overrun Gas); and
  - (vii) clause 17.8(c) (Compliance with a Curtailment Notice); or
  - (vii) clause 22.4(a) (Remedies for the Shipper's default);
- (b) by reason of, or in response to a reduction in Gas Transmission Capacity caused by the negligence, breach of contractual term or other misconduct of the Shipper;
- (c) to the extent that <u>the</u> Operator is relieved from so doing under clause 19 (Force Majeure);
- (d) to the extent that <u>the</u> Operator considers as a Reasonable <u>Andand</u> Prudent Person that it would be unsafe to Deliver that Gas or that such Delivery may exceed the Total Current Physical Capacity of the relevant <del>outlet point;</del> or <u>Outlet Point;</u> and
- (e) to the extent that <u>the</u> Shipper has not entered into any agreement in relation to that <u>outlet pointOutlet Point</u> required by clause <u>6.7-6.14</u>.

#### 5.7 Notification of refusal to Deliver Gas

When <u>the Operator</u> refuses to Deliver Gas to <u>the Shipper under clause <del>5.7, 5.6, the Operator must.</del> Operator must:</u>

(a) use its reasonable endeavours to give <u>the Shipper</u> advance notice which is reasonable in the circumstances of any impending refusal to Deliver Gas;



- (b) if it does not give <u>the Shipper advance notice under clause 5.85.7(a)</u> of a refusal to Deliver Gas, <del>Operator must notify the Shipper of that refusal as soon as practicable after that refusal; and</del>
- (c) notify the Shipper of the reasons for a refusal to Deliver Gas in sufficient detail to explain the refusal as soon as practicable.

#### 5.9 Refusal to Deliver Gas is a Curtailment in limited circumstances

To the extent that a refusal to Deliver such Gas under clause 5.7(c) would not have occurred if Operator had taken the steps which would be expected of a Reasonable And Prudent Person to avoid the need for, or failing such avoidance, to minimise the magnitude and duration of, the refusal to Deliver Gas, a refusal to Deliver Gas under clause 5.7(c):

- (a) is a Curtailment for the purposes of this Contract; and
- (b) shall be taken into account in determining whether Curtailments aggregated over a Gas Year cause the T1 Permissible Curtailment Limit to be exceeded.

#### 5.8 No liability for refusal to Deliver Gas

Subject to clause 23.2 and subject to any liability under clause 17 arising from a refusal of a type referred to in clause 5.9,23.2, the Operator is not liable for any Direct Damage or Indirect Damage caused by or arising out of any refusal to Deliver Gas under clause 5.7-5.6.

#### 5.9 No change to Contracted Capacity

- (a) A refusal to Deliver Gas under clause 5.6 does not affect the calculation of the Charges payable by the Shipper under clause 20, for which purposes the Shipper's Contracted Capacity remains as specified in the Access Request Form.
- (b) When calculating the amount of Total Contracted Capacity (either generally or in respect of a specific Capacity Service, Inlet Point or Outlet Point) for a particular shipper, no reduction is to be made for any capacity not made available as a result of any refusal to Deliver Gas, either generally or in respect of any specific Capacity Service, Inlet Point or Outlet Point, under any of the shippers' contracts for Capacity Service pursuant to that clause which is the material equivalent of clause 5.6.

#### 5.10 System Use Gas

- (a) The Operator must supply the Shipper's share of System Use Gas.
- (b) For the purposes of this clause 5.10, the Shipper's **share of System Use Gas** for a Gas Day is calculated by:
  - (i) multiplying the total amount of all System Use Gas used on that Gas Day by the total quantity of Gas delivered on that Gas Day to the Shipper (under the R1 Service) downstream of CS7; and
  - (ii) dividing the result by the quantity of Gas delivered on that Gas

    Day to all shippers across all Capacity Services and Spot

    Capacity, downstream of CS7.
- (c) The Shipper must indemnify the Operator in respect of the cost of additional Gas incurred by the Operator in supplying System Use Gas in accordance



with this Contract to the extent to which that System Use Gas is required to be supplied, in accordance with Good Gas Industry Practice, because of the Shipper taking Overrun Gas or breaching the Accumulated Imbalance Limit or the Hourly Peaking Limit on any Gas Day, aggregated over a Contract Year, but only if that cost is not recovered by the Operator during that Contract Year by Other Charges or Direct Damages paid by the Shipper.

- The Operator must provide, each quarter, an indicative report (*Quarterly Report*) (for the Shipper's information only) of the costs incurred by the Operator in supplying System Use Gas in the circumstances described in clause 5.10(c). The costs notified in the Quarterly Report are not final and are subject to the reconciliation at the end of each Contract Year of actual costs incurred and of any recovery of those costs by the Operator during the Contract Year by way of Other Charges or Direct Damages paid by the Shipper.
- (e) Within 30 days after receipt of a Tax Invoice which includes an amount payable by the Shipper under clause 5.10(c), the Shipper may request an independent verification of the amount payable.
- <u>If requested under clause 5.10(e), the independent verification must be undertaken by an auditor independent of the parties and agreed to by them or, failing agreement, by an auditor appointed as if he or she were to be an Expert for a Technical Matter under clause 24.</u>
- The Operator must disclose all relevant information in relation to the calculation of the amount payable under clause 5.10(c) to the auditor agreed or appointed under clause 5.10(f). The auditor must not disclose that information to the Shipper, but must review the information provided by the Operator and such further information as the auditor may reasonably request from the Operator, and must then determine whether the amount included in the Operator's Tax Invoice is correct or, if not, the correct amount to be included.
- (h) A determination of an auditor under clause 5.10(g) is final and binding upon the Parties.

#### 5.11 Additional Rights to Refuse to Receive or Deliver Gas

- (a) In addition to any other rights and remedies that may be available to it under any Law or under this Contract or in equity under any Law, if:
  - (i) the Governor or any other person, regulatory authority or body declares a state of emergency under the *Fuel, Energy and Power Resources Act 1972* (WA) or any successor, supplementary or similar Law and the Governor or such other person, regulatory authority or body makes emergency regulations or similar which, in the opinion of <u>the</u> Operator or the Pipeline Trustee acting reasonably in the context of the declaration, will affect or is likely to affect the operation of the DBNGP; or
  - (ii) the Coordinator of Energy or any other person, regulatory authority or body declares a state of emergency under the *Energy Coordination Act 1994* (WA) or any successor, supplementary or similar Law and makes emergency orders or similar which, in the opinion of Operator or the Pipeline Trustee acting reasonably in the context of the declaration, will affect or is likely to affect the operation of the DBNGP, the Operator or the Pipeline Trustee



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acting reasonably in the context of the declaration, will affect or is likely to affect the operation of the DBNGP; or

(iii) the Minister or any other person, regulatory authority or body declares a state of emergency under the Emergency Management Act 2005 (WA) or any successor, supplementary or similar Law and the Minister or any other person, regulatory authority or body makes regulations or exercises any power under that act which, in the opinion of the Operator or the Pipeline Trustee acting reasonably in the context of the declaration, will affect or is likely to affect the operation of the DBNGP,

(any and all of these being a **Declaration**), then the Operator may. (with prior notice to the Shipper wherever practicable), refuse to Receive Gas at an Inlet Point or refuse to Deliver Gas at an Outlet Point (or both) to the extent that the Operator in good faith believes it is necessary or desirable to comply with or deal with the Declaration and any associated emergency regulations, emergency orders, directions or advice received from any governmental or regulatory authority, person or body.

- (b) To the extent that the exercise of rights and remedies under clause 5.125.11(a) would not have occurred if had the Operator had taken the steps which would have been expected of a Reasonable Andand Prudent Person to prevent the relevant event occurring, or failing such prevention, to minimise the magnitude and duration of the need to refuse to Receive or Deliver Gas, the exercise of rights and remedies under clause 5.125.11(a):
  - (i) is a Curtailment for the purposes of this Contract; and
  - (ii) shallmust be taken into account in determining whether Curtailments aggregated over a Gas Year cause the <u>FR</u>1 Permissible Curtailment Limit to be exceeded.
- (c) If the Operator exercises any rights under clause 5.125.11(a), it must:
  - (i) promptly give notice to <u>the Shipper of the occurrence giving rise to</u> the right of <u>the Operator to exercise such rights</u>, and the steps that <u>the Operator intends to take under clause 5.125.11(a)</u>; and
  - (ii) resume full performance of its obligations under this Contract as soon as reasonably practicable.

#### 6. INLET POINTS AND OUTLET POINTS

#### 5.12 Shipper's gas installations

- (a) The terms "inspector", "gas installation" and "Type B gas appliance" used in this clause 5.12 have the meanings given in the Gas Standards Act 1972 (WA) or other relevant Law.
- (b) The Shipper must, at its cost:
  - <u>(i)</u> <u>in accordance with the Gas Standards Act 1972 (WA) appoint an inspector to inspect:</u>
    - <u>(A)</u>
      <u>any gas installation installed by the Shipper after the Execution Date, prior to the commencement of any Delivery of Gas by the Operator; or </u>



### Clause 0 - 6.

## Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions INLET POINTS AND OUTLET POINTS

- (B) any gas installation that has been altered by the
  Shipper after the Execution Date by the installation of a
  Type B gas appliance, prior to any Delivery of Gas by
  the Operator;
- (ii) provide evidence of the completion of an inspection under clause 5.12(b)(i) to the Operator; and
- (iii) ensure that its gas installations comply with the requirements specified under all relevant Environmental and Safety Laws including the Gas Standards Act 1972 (WA) and Gas Standards (Gasfitting and Consumer Gas Installations) Regulations 1999 (WA).
- (c) If, on an inspection under clause 5.12(b)(i), the inspector makes an order under section 18(2)(a) of the Energy Coordination Act 1994 (WA) or issues a notice under the Gas Standards Act 1972 (WA), the Shipper must provide a copy of such order or notice to the Operator within 10 days of the completion of the inspection.



- 6. Inlet Points and Outlet Points
- 6.1 The Inlet Points for this Contract are set out in Item 1 of clause 5 of the Access Request Form; and Outlet Points
  - (a) The Inlet Points for this Contract are set out in the Access Request Form.
  - (b) The Outlet Points for this Contract are set out in Item 2 of clause 5 of the Access Request Form.

#### 6.2 Multi-shipper Agreement

<u>The Shipper</u> is taken to be a party to a current Multi-shipper Agreement in respect of an Inlet Point or Outlet Point if at the Capacity Start Date there is an agreement, arrangement or understanding, whether or not in writing, between all shippers which use that Inlet Point or Outlet Point, (which agreement, arrangement or understanding may include other parties <u>which are not shippers</u>, such as a Producer or REMCo), under which <u>the</u> Operator is notified of how the Gas Delivered to or Received from that Inlet Point or Outlet Point is allocated between those shippers, for as long as that agreement, arrangement or understanding continues in force.

#### 6.3 Multi-shipper Inlet Point and Multi-shipper Outlet Point

- (a) The For the purposes of this clause 6.3, the Gas streams delivered to a Multi-shipper Inlet Point by or on behalf of the Shipper areand all other shippers delivering Gas at that Inlet Point are taken to be commingled at a point or points immediately upstream of the Inlet Point with the Gas streams delivered to that Multi-shipper Inlet Point by other shippersthat Inlet Point.
- (b) For any purpose under this Contract, the Shipper's proportional share of the commingled inlet streamBlended Gas at a Multi-shipper Inlet Point is tomust be determined immediately upstream of the Inlet Point after all Gas streams are taken to have been commingled, and the Shipper's proportional share of the commingled outlet stream at a Multi-shipper Outlet Point is tomust be determined immediately downstream of the Outlet Point.
- (c) Subject to any contrary provisions in a Multi-shipper Agreement, <a href="mailto:the-shipper">the</a>
  Shipper's nominations, obligations and liabilities under this Contract in respect of any quantity, quality, temperature or pressure of Gas at a Multi-shipper Inlet Point <a href="mailto:are-to:must">are-to:must</a> be determined solely in respect of <a href="mailto:the-shipper">the-Shipper</a>'s proportional share of the <a href="mailto:commingled inlet stream</a>
  Blended Gas determined under clause 6.4, and not by reference to any quantity, quality, temperature or pressure of any Gas delivered by or on behalf of <a href="mailto:the-shipper">the-Shipper</a> into the <a href="mailto:commingled-inlet-stream</a>
  Blended Gas.
- (d) All shippers using an Inlet Point or an Outlet Point (as the case may be) may enter into (with or without other parties which are not shippers, such as a Producer or REMCo) a written agreement (*Multi-shipper Agreement*) with the Operator dealing with, amongst other things, the way in which Gas Delivered by them to an Inlet Point or Received by them from an Outlet Point is to must be allocated between them.
- (e) <u>The Operator must promptly enter into a Multi-shipper Agreement in respect of an Inlet Point or Outlet Point if all of the following apply to the Multi-shipper Agreement:</u>
  - (i) if any one of A, B or C apply:





- (A) the agreement contains a formula or mechanism for allocating Gas deliveries to the Inlet Point or Outlet Point (as the case may be) for each Gas Hour between the shippers in a manner which enables the Operator to determine the allocation by applying the formula or mechanism once it knows the total quantity of Gas delivered at that Inlet Point or Outlet Point (as the case may be) during the relevant Gas Hour;—or
- (B) whereif the agreement relates to an Inlet Point, and it provides that Gas deliveries at the Inlet Point are allocated between the shippers for each Gas Hour by a notice to the Operator from the Producer that delivers Gas into the Inlet Point on behalf of all shippers using that Inlet Point; or
- (C) whereif the agreement relates to an Outlet Point, and it provides that Gas deliveries at that Outlet Point are allocated between the shippers for each Gas Hour by a notice provided to the Operator from one of the shippers at that Outlet Point or from a third party nominated by one of the shippers at that Outlet Point;
- (ii) the agreement allocates deliveries to the Inlet Point or Outlet Point (as the case may be) between the shippers on a daily basis for each Gas Hour;
- (iii) the agreement is between all shippers who use the Inlet Point or Outlet Point (as the case may be) and the Operator;
- (iv) the agreement provides that, as between each shipper and the Operator, for the purposes of each shipper's Gas transportation contract, the Operator may rely upon the allocation of Gas delivered by the shippers at an Inlet Point, or received by the shippers at an Outlet Point, determined in accordance with the agreement, as being the quantity of Gas delivered by each of those shippers at the Inlet Point and the quantity of Gas received by each of those shippers at the Outlet Point;
- (v) the agreement provides that <u>the</u> Operator may, in order to give effect to a Curtailment of the Capacity of one or more of the shippers using the Outlet Point, physically reduce the Capacity of the Outlet Point by an amount up to the Contracted Capacity (or the equivalent under that shipper's contract) at that Outlet Point for the shipper to be Curtailed;
- (vi) <u>the Operator</u> is reasonably satisfied with the metering arrangements for any meters being used for the purpose of allocating Gas deliveries at the Inlet Point or Outlet Point (as the case may be);
- (vii) the agreement provides that <u>the Operator</u> is not liable to shippers where it acts in accordance with the provisions of the agreement; and
- (viii) the agreement does not impose any other obligations or liabilities upon <u>the</u> Operator (other than in relation to the provision of <u>metering information of the type contemplated in clause</u> <u>15.5Metering Information</u>) and does not directly or indirectly vary





or amend this Contract or any other contract between a shipper and the Operator other than as specifically contemplated above.

- (f) A Multi-shipper Agreement (including a deemed Multi-shipper Agreement under the Retail Market Rules) in relation to a Notional Gate Point, may provide that:
  - (i) whilst the Retail Market Rules are in force, Gas deliveries at that point are allocated by REMCo, on behalf of all shippers using that Notional Gate Point, by:
    - (A) REMCo providing <u>the Operator</u> with an algorithm for doing so which can be applied by <u>the Operator</u>; or
    - (B) REMCo providing <u>the Operator</u> a notice by electronic means within a reasonable period after each Gas Hour and after the end of each Gas Day; and.
  - (ii) at any time during which the Retail Market Rules are inoperative, Gas deliveries at that point are allocated by Networks, on behalf of all shippers using that Notional Gate Point pursuant to the terms of the Operating Arrangement.
- (g) AAny Dispute under relating to clause 6.3(e) is to a Dispute on a Technical Matter and may be referred by any Party to an Independent Expert under clause 24 as a Technical Matter.24.

#### 6.4 Allocation of Gas at Inlet Points

- (a) On any Gas Day when <u>the Shipper is the only shipper Delivering Gas to the Operator at an Inlet Point, the Shipper shall beis deemed to have Delivered all Gas Received by the Operator at the Inlet Point for that Gas Day and clauses 6.4(b) and 6.4(c) shalldo not apply.</u>
- (b) If the Shipper and any other shipper Delivers Gas to the Operator at an Inlet Point on a Gas Day, and: then, unless the Operator duly receives written confirmation under clause 6.4(c) from or on behalf of the Shipper and every other shipper that so Delivers Gas of some other allocation of those Gas Deliveries:
  - (i) <u>if</u> there is a relevant Multi-shipper Agreement then, the Shipper's proportional share of Gas Received by the Operator at the Inlet Point on that Gas Day will be as determined by pursuant to that Multi-shipper Agreement; or
  - (ii) if there is no relevant Multi-shipper Agreement, the Operator
    (acting as a Reasonable And Prudent Person) must determine the
    Shipper's proportionate share of Gas Received by the Operator at
    that Inlet Point on that Gas Day which determination may be by
    (inter alia) reference to Daily Nominations at the Inlet Point for that
    Gas Day across all Capacity Services and Spot Transactions
    across all relevant shippers. The Shipper is deemed to have
    Delivered the proportionate share so determined of the Gas
    Received by the Operator at that Inlet Point on that Gas Day at a
    constant rate over that Gas Day.
- (c) <u>If, by no later than 11:30 hours on the next Gas Day, the Shipper procures</u> the delivery of written confirmation to <u>the</u> Operator from, or on behalf of, every shipper which delivers that Delivers Gas to that Inlet Point on that a Gas



Day-by not later than 08:30 hours on the following Gas Day, of the quantity of Gas supplied by those shippers at that Inlet Point, then (on that Gas Day, then whether or not there is a relevant Multi-shipper Agreement, and in the absence of evidence to the contrary), that confirmation shall be deemed to show the quantity of Gas Delivered by the Shipper to Operator at that Inlet Point. and each such other shipper to the Operator at that Inlet Point on that Gas Day and may be relied upon by the Operator accordingly.

- (c) If there is no Multi-shipper Agreement in relation to an Inlet Point and Shipper or any other shipper Delivering Gas at such Inlet Point fails to provide such written confirmation by the time specified in clause 6.4(b), then Shipper's proportionate share of Gas Received at that Inlet Point may be determined by Operator (acting as a Reasonable And Prudent Person) by (inter alia) reference to Daily Nominations at the Inlet Point for that Gas Day across all Capacity Services and Spot Transactions across all shippers and Shipper shall be deemed to have Delivered that proportionate share so determined of the Gas Received at that Inlet Point on that Gas Day.
- (d) Gas Delivered by <u>the Shipper to an Inlet Point will beis</u> deemed to be Received by <u>the Operator in the order specified generally or for a particular Gas Day by <u>the Shipper</u>, and if <u>the Shipper fails to specify for any Gas Day, in the following order:</u></u>
  - (i) first, Gas for any available T1 Service which includes Gas for any available Aggregated TR1 Service;
  - (ii) second, Gas for any available Capacity Services (other than  $\pm \mathbb{R}^1$  Service) in the order set out in clause 8.98.8(a); and
  - (iii) third, Gas for any available Capacity under any Spot Transaction; and other gas.
  - (iv) fourth, other Gas.

#### 6.5 Allocation of Gas at Outlet Points

- (a) On any Gas Day when <u>the Shipper</u> is the only person taking Delivery of Gas from <u>the Operator</u> at an Outlet Point, <u>the Shipper shall beis</u> deemed to have taken Delivery of all Gas Delivered by <u>the Operator</u> at the Outlet Point for that Gas Day and clauses 6.5(b) and 6.5(c) <u>shalldo</u> not apply.
- (b) If Shipper and any other shipper take Delivery of the Shipper and any other shipper Receives Gas from the Operator at thean Outlet Point on a Gas Day then, if there is a Multi-shipper Agreement in relation to the Outlet Point, Shipper's proportional share of Gas at the Outlet Point must be determined under the Multi-shipper Agreement. unless the Operator duly receives written confirmation under clause 6.5(c) from or on behalf of the Shipper and every other shipper that so Receives Gas of some other allocation of those Gas Receipts:
  - (i) if there is a relevant Multi-shipper Agreement, the Shipper's proportional share of Gas Delivered by the Operator at the Outlet Point on that Gas Day will be as determined pursuant to that Multi-shipper Agreement; or
  - (ii) If if there is no relevant Multi-shipper-Agreement in relation to an Outlet Point or if Shipper fails to otherwise reach agreement with other shippers at the Outlet Point in respect of the allocation of Gas Receipts or fails to provide Operator with a copy of a Multi-



shipper Agreement referred to in clause 6.5(b) prior to the commencement of the relevant Gas Day, then Shipper's proportional share of Gas at the Outlet Point is to be determined by Agreement, the Operator (acting as a Reasonable And Prudent Person) must determine the Shipper's proportionate share of Gas Delivered by the Operator at that Outlet Point on that Gas Day which determination may be by (inter alia) reference to Daily Nominations at the Outlet Point for that Gas Day across all Capacity Services and Spot Transactions across all relevant shippers, and to any relevant data supplied by REMCo. The Shipper will beis deemed to have Received that proportionate share so determined of the Gas Delivered to by the Operator at that Outlet Point on that Gas Day at a constant rate over that Gas Day.

- (c) <u>If:</u>
  - (i) for each Outlet Point governed by the Retail Market Rules by no later than 13:00 hours; and
  - (ii) for any other Outlet Point by no later than 11:30 hours,

on the next Gas Day, the Shipper procures the delivery of written confirmation to the Operator from, or on behalf of, every shipper that Receives Gas at that Outlet Point on a Gas Day of the quantity of Gas taken by those shippers at that Outlet Point on that Gas Day, then whether or not there is a relevant Multi-shipper Agreement, and in the absence of evidence to the contrary, that confirmation is deemed to show the quantity of Gas Received by the Shipper and each such other shipper from the Operator at that Outlet Point on that Gas Day and may be relied upon by the Operator accordingly. Information provided to the Operator by the operator of the WLPG Plant as to the gas extraction and gas usage of that plant for a Gas Day is not written confirmation to the Operator for the purpose of this clause 6.5(c) from the Shipper and other shippers which have Contracted Capacity at the Outlet Point for the WLPG Plant.

- (d) Gas Delivered by the Operator to an Outlet Point will be a deemed by this clause to be Received by the Shipper in the order specified generally or for a particular Gas Day by the Shipper, and if the Shipper fails to specify for any Gas Day in the following order:
  - (i) first, Gas for any available <u>TR</u>1 Service-(which shall include any available Aggregated T1 Service);
  - (ii) second, Gas for any available Capacity Services (other than  $\pm \underline{\mathbb{R}}$ 1 Service) in the order set out in clause 8.98.8(a); and
  - (iii) third, Gas for any available Capacity under any Spot Transaction; and other gas.
  - (iv) fourth, other Gas.

### 6.6 Installation, operation and maintenance of inlet stations and outlet stations Design and installation of Inlet Stations

(a) The Shipper must, at its own expense, design and install or procure the design and installation of all those parts of any required Inlet Station that are upstream of the Inlet Point.





- (b) Shipper shall install, operate and maintain or procure the design, installation, operation and maintenance of, Inlet Stations at its own expense and when (if ever)If and whenever the Shipper and other shippers deliverDeliver Gas to the Operator at an inlet pointInlet Point on the DBNGP, the Shipper and those other shippers shallmust, at their joint expense allocated on such basis as they may agree, collectively design and install, operate and maintain or procure the design and installation of all those parts of the Associated Inlet Station that are upstream of the Inlet Point.
- (c) The Shipper or, where applicable, the Shipper and other shippers must ensure that all those parts of any required Inlet Station that are upstream of the Inlet Point meet the requirements set out in clauses 6.9(a) to 6.9(f).

#### 6.7 Design and installation of Inlet Point Connection Facilities

- (a) The Operator must, at the Shipper's request, design and install or procure the design and installation of any required Inlet Point Connection Facilities. The Operator and the Shipper must negotiate and enter into an agreement in respect of the relevant works (an *Inlet Point Connection Facilities Works Agreement*) by which the Shipper must agree either:
  - to pay the costs incurred by the Operator in connection with such design and installation (which includes the capital cost of acquiring and installing all relevant components of the Inlet Point Connection Facilities), plus a reasonable premium calculated to recognise the Operator's management time and to allow the Operator a reasonable margin on its overhead expenses during design and installation (Relevant Inlet Point Connection Facilities Construction Costs); or
  - (ii) to include the Relevant Inlet Point Connection Facilities

    Construction Costs as part of the cost base used to calculate the Maintenance Charge relating to the Inlet Point.
- (b) The Operator must not unreasonably refuse to enter into or delay entering into, or insist upon unreasonable conditions in, an Inlet Point Connection

  Facilities Works Agreement, but otherwise an Inlet Point Connection Facilities

  Works Agreement may be on such terms as the Operator and the Shipper agree.
- <u>(c)</u> The Operator must ensure that Inlet Point Connection Facilities meet the requirements set out in clauses 6.9(a) to 6.9(f).
- (d) The Shipper must use its reasonable endeavours to assist the Operator in gaining access to any relevant Inlet Station to which the Operator has no rights of access for the purpose of maintaining and operating that Outlet Station.

#### 6.8 Design and installation of Outlet Stations

- (a) The Operator must, at the Shipper's request, design and install or procure the design and installation of any required Outlet Station that is not a Gate Station. The Operator and the Shipper must negotiate and enter into an agreement in respect of the relevant works (an Outlet Station Works Agreement) by which the Shipper must agree either:
  - (i) to pay the costs incurred by the Operator in connection with such design and installation (which includes the capital cost of acquiring and installing all relevant components of the Outlet Station), plus a





reasonable premium calculated to recognise the Operator's management time and to allow the Operator a reasonable margin on its overhead expenses during design and installation (*Relevant Outlet Station Construction Costs*); or

- (ii) Other than in respect of an Existing Station, and unless agreed otherwise, Operator shall install, operate and maintain Outlet Stations that are not Gate Stations, at Shipper's request, and at Shipper's expense to be determined in accordance with clause 6.6(i).to include the Relevant Outlet Station Construction Costs as part of the cost base used to calculate the Maintenance Charge relating to the Outlet Station.
- (iii) Other than in respect of an Existing Station, Shipper shall pay a proportion of the Maintenance Charge relating to an Outlet Station associated with an Operator Owned Point (but not otherwise) that:
  - (A) in the case of an Outlet Station related to an Outlet
    Point, is equal to the proportion that Shipper's
    Contracted Capacity (across all Capacity Services) at
    that Outlet Point bears to the aggregate Contracted
    Capacity (across all Capacity Services) for all shippers
    at that Outlet Point, less any amount recovered under
    clause 6.6(a)(iii)(B); and
  - (B) in the case of an Outlet Station related to an outlet point at which Shipper does not have Contracted Capacity, is equal to the proportion that the sum of Shipper's deliveries of Gas (across all Capacity Services) at the outlet point, during the previous calendar month to which that Outlet Station relates, bears to the sum of all shippers' delivery of Gas (across all Capacity Services) at such outlet point, during the previous calendar month.
- (b) The Operator must not unreasonably refuse to enter into or delay entering into, or insist upon unreasonable conditions in, an Outlet Station Works

  Agreement, but otherwise an Outlet Station Works Agreement may be on such terms as the Operator and the Shipper agree.
- (c) For the purposes of this clause 6.6, an obligation to install, operate and maintain shall include (but not be limited to) an obligation to The Operator must ensure that an Inlet Station or Outlet Station (as the case may be) meets the requirements set out in clauses 6.66.9(ba) to 6.9(f).
- (d) The Shipper must use its reasonable endeavours to assist the Operator in gaining access to anany relevant Outlet Station which is not a Gate Station, to which the Operator has no rights of access, for the purpose of maintaining and operating that Outlet Station.
  - (vi) Other than in respect of an Existing Station, all Gate Stations associated with a Sub-network are to be installed, operated and maintained by Operator at the collective expense of all shippers who receive Gas from Operator at the Notional Gate Point for the Sub-network, and Shipper shall pay a proportion of the Maintenance Charge that is equal to the proportion that the sum of Shipper's Contracted Capacity (across all Capacity Services but prior to any reduction under the Curtailment Plan) at the Notional Gate Point, for the time being bears to the sum of all Shipper's and





other shippers' Contracted Capacity (across all Capacity Services but prior to any reduction under the Curtailment Plan) at such Notional Gate Point, for the time being.

- (vii) Without limiting the generality of clause 6.6(a)(vi), whenever a new Gate Station is installed, or a Gate Station is enhanced, the amounts referred to in clause 6.6(a)(vi) are to be included in the apportionments between all shippers who receive Gas from Operator at the Notional Gate Point, including shippers with grants of capacity made before the date of installation or enhancement.
- (viii) For the purposes of assessing, reporting or otherwise dealing with the commercial viability of any capacity, service or thing related to a Physical Gate Point, a Notional Gate Point or a Gate Station, Operator may have regard to the likely impact of clause 6.6(a)(vi).

#### 6.9 Requirements relating to Inlet Stations and Outlet Stations

- (a) (i) The site for an Inlet Station or Outlet Station must:
  - (A) be within a security- fenced enclosure;
  - (B) provide suitable vehicular access and an alternative means of personnel access;
  - (C) provide adequate space for the installation of all equipment; and
  - (D) have a concrete, sealed, or gravel surface to enable access in all weather conditions.
  - (ii) Telemetry, power supply and other sensitive equipment at an Inlet Station or Outlet Station must be located in a weatherproof, secure and ventilated enclosure, with provision to allow for maintenance of equipment in all weather conditions.
- (b) (i) Every Inlet Station or Outlet Station must provide a means, to a standard acceptable to a Reasonable Andand Prudent Person, of automatically:
  - (A) preventing the reverse flow of Gas through the Inlet Station or Outlet Station; and
  - (B) stopping or restricting Gas flow in the event of any excessive pressure upstream of, or any failure, leak or rupture within or downstream of, the Inlet Station or Outlet Station.
  - (ii) The Operator, whenever it is permitted by any written Law or a contract to stop or reduce Gas flow (and whether or not there has been a failure, leak or rupture), may utilize to that purpose any mechanism installed under clause 6.66.9(eb)(i).
  - (iii) The Operator may at any time, for, or in anticipation of, the purposes of clause 6.66.9(eb)(i), make any necessary connections, modifications or additions to any mechanism installed under clause 6.66.9(eb)(i), to enable it to be utilizedutilised for the purposes of clause 6.66.9(eb)(ii).





- (iv) <u>The Operator eannot must not charge the Shipper for any mechanism installed under clause 6.66.9(eb)(i) or clause 6.6(e6.9(b)(iii).</u>
- (c) (i) Every Inlet Station must include filters or separators, or both, to a standard acceptable to a Reasonable And Prudent Person.
  - (ii) An Outlet Station must, whenever the Operator as a Reasonable Andand Prudent Person determines it to be necessary, include filters or separators, or both, to a standard acceptable to a Reasonable Andand Prudent Person.
  - (iii) <u>The Operator may make a determination under clause</u> 6.66.9(dc)(ii) at any time, including after an Outlet Station is commissioned.
  - (iv) For the purposes of clause 15.4, neither filters nor separators are tomay be regarded as Metering Equipment.
- (d) All facilities upstream of an Inlet Point or downstream from an Outlet Point must be electrically isolated from the DBNGP by an isolating joint or flange located either:
  - (i) at the Inlet Point or Outlet Point; or
  - (ii) sufficiently close to the Inlet Point or Outlet Point so as to achieve the same operational effect as if the joint or flange were located in accordance with clause 6.66.9(ed)(i),

which joint or flange must be fitted with a surge diverter or other approved means of discharging excessive potentials.

- (e) All facilities at an Inlet Station or Outlet Station must be connected to an effective earthing system of a type acceptable to a Reasonable Andand Prudent Person.
- (f) Any new equipment installed at an Inlet Station or Outlet Station must be compatible with existing equipment and systems.
- (g) The quantity of Gas passing through a Notional Gate Point in any period of time is to be taken to be the sum of the quantities metered as passing through all associated Physical Gate Points in that period of time.
  - (ii) Nothing in clause 6.66.9(hg)(i) is to prevail prevails over the deeming in clause 6.5 of the quantity of Gas taken by a shipper the Shipper or any other shippers at a Notional Gate Point.

#### 6.10 Notional Gate Point

- (a) There is a notional gate point for each Sub-network, at which all Outlet Point Contracted Capacity in respect of that Sub-network is taken to be located (Notional Gate Point).
- (b) All Curtailments of Capacity utilised to Deliver Gas into the Sub-network are taken to occur at the Notional Gate Point.



(c) The Operator may, in its absolute discretion, manage whether, at what times, to what extent and in what manner Gas deemed delivered at a Notional Gate Point is physically transported into the Associated Sub-network.

#### 6.11 Design and installation of Gate Stations

- (a) The Operator must, at the collective request of all shippers who have

  Contracted Capacity at the Notional Gate Point for a Sub-network, procure
  the design and installation by a third party contractor or third party contractors
  engaged by the Operator of any required Gate Station associated with that
  Sub-network, other than an Existing Station.
- (b) The costs incurred by the Operator in connection with the design and installation of any Gate Station (which includes the capital cost of acquiring and installing all relevant components of the Gate Station, plus a reasonable premium calculated to recognise the Operator's management time and to allow the Operator a reasonable margin on its overhead expenses during design and installation (*Relevant Gate Station Construction Costs*)), must be amortised as part of the Maintenance Charge relating to the Gate Station payable by all shippers who receive Gas from the Operator at the Notional Gate Point for that Sub-network.

#### 6.12 Maintenance Charge for Inlet Stations, Outlet Stations and Gate Stations

(a) For the purposes of this clause 6.12, *Maintenance Charge* means, with respect to a particular Inlet Station, Outlet Station or Gate Station Associated with a Sub-network, a charge determined by the Operator (acting as a Reasonable and Prudent Person) as being sufficient to allow the Operator (across all shippers who pay a charge for substantially the same purpose) to amortise, over the life of the Inlet Station, Outlet Station or Gate Station (as the case may be), so much of the Relevant Construction Costs as are not already paid by any shipper under clauses 6.6, or 6.8(a)(i), or (or the material equivalent in any other contract), and the costs of:

(i) maintaining;

(ii) operating;

(iii) refurbishing;

(iv) upgrading;

(v) replacing; and

(i) <u>decommissioning</u>,

the Inlet Station, Outlet Station or Gate Station, plus a reasonable premium calculated to recognise the value of the Operator's management time, allowing for the charge to amortise those costs over the life of the Inlet Station, Outlet Station or Gate Station.

(b) For the purposes of this clause 6.6, *Maintenance Charge* means, with respect to a particular Inlet Station, Outlet Station or Gate Station Associated with a Sub-network, the charge determined by Operator (acting as a Reasonable And Prudent Person) for designing, installing (which is to be taken as including the capital cost of acquiring and installing all relevant components of an Inlet Station, Outlet Station or Gate Station), maintaining, operating and decommissioning such Inlet Station, Outlet Station or Gate Station (as the case may be) and which shall, in all cases, exceed the actual





cost of such design, installation, maintenance, operation and decommissioning by a reasonable premium calculated to recognise Operator's management time and to allow Operator to realise a reasonable rate of return on the cost of such design, installation, maintenance, operation and decommissioning (as the case may be), allowing for the charge to amortise the cost of such design, installation, maintenance, operation and decommissioning over the life of the Inlet Station, Outlet Station or Gate Station. At the request of the Shipper, the Operator shallmust provide a statement of the calculations used to determine thea Maintenance Charge in the form in which the Operator normally calculates the Maintenance Charge shall be any disagreement as to the level of any Maintenance Charge shall be may be referred by any party for determination as a Dispute for the purposes of under clause 24 of this Contract.24.

- (c) Subject to clause 6.13(b) in relation to Existing Stations, the Shipper must pay a proportion of the Maintenance Charge relating to an Outlet Station associated with an Operator Owned Point (but no other Outlet Stations) that:
  - in the case of an Outlet Station related to an Outlet Point, is equal to the proportion that the Shipper's Contracted Capacity (across all Capacity Services) at that Outlet Point bears to the aggregate Contracted Capacity (across all Capacity Services) for all shippers at that Outlet Point, less any amount recovered under clause 6.12(c)(ii); and
  - in the case of an Outlet Station related to an Outlet Point at which the Shipper does not have Contracted Capacity, is equal to the proportion that the sum of the Shipper's deliveries of Gas (across all Capacity Services) at the Outlet Point, during the previous calendar month to which that Outlet Station relates, bears to the sum of all shippers' delivery of Gas (across all Capacity Services) at such Outlet Point, during the previous calendar month.
- (d) Subject to clause 6.13(b) in relation to Existing Stations, the Shipper must pay a proportion of the Maintenance Charge relating to a Gate Station that is equal to the proportion that the sum of the Shipper's Contracted Capacity (across all Capacity Services but prior to any reduction under the Curtailment Plan) at the relevant Notional Gate Point for the time being bears to the sum of all the Shipper's and other shippers' Contracted Capacity (across all Capacity Services but prior to any reduction under the Curtailment Plan) at such Notional Gate Point for the time being.
- (e) Without limiting the generality of clause 6.11(b), whenever a new Gate
  Station or Outlet Station is installed, or a Gate Station or Outlet Station is
  enhanced, for the purposes of the consequent re-determination of the
  Maintenance Charge for the Gate Station or Outlet Station, the Relevant
  Construction Costs must be included in the apportionments between all
  shippers who receive Gas from the Operator at the Notional Gate Point or
  Outlet Station, including shippers with grants of Capacity at the Notional Gate
  Point or Outlet Station made before the date of installation or enhancement.
- <u>For the purposes of assessing, reporting or otherwise dealing with the commercial viability of any capacity, service or thing related to a Physical Gate Point, a Notional Gate Point or a Gate Station, the Operator may have regard to the likely impact of clause 6.12(e).</u>



#### 6.13 Provisions relating both to Relevant Construction Costs and Maintenance Charge

- (a) Nothing in this clause 6.6 shall affect or derogate clauses 6.6, 6.8 or 6.12 affects or derogates from charges payable under any other agreement between the Operator and the Shipper inwith respect to the installation, operation and maintenance of Inlet Stations, Outlet Stations and Gate Stations and any upgrades, modifications and expansions to inlet points or outlet points Inlet Points or Outlet Points.
- (b) The Operator agrees that it shallis not be entitled to impose any charges under this clause 6.6clauses 6.6, 6.8 or 6.12 or otherwise under this Contract in respect of Existing Stations, except in relation to the incremental costs of the design, installation, maintenance and operation of a modification of an Existing Station which occurred, or occurs, after 1 January 1995 and which increased or increases the capacity of that Existing Station to receive or deliver Gas into or from the DBNGP, and 1995. Where such incremental costs are incurred, the Operator is entitled to impose charges on the Shipper and other shippers who use that Existing Station in relation to their respective proportions of those incremental costs, as determined in accordance with the provisions in under clause 6.6(a) (iii6.12(c)).
- (I) Despite any other provisions of this Contract, each Existing Station and all facilities, ancillary equipment and services at each Existing Station and the metering arrangements entered into with the State Energy Commission of Western Australia prior to 1 January 1995 in respect of each Existing Station are to be taken to comply in all respects with the provisions of this Contract including this clause 6.6.

#### 6.14 Contribution Agreement

- (a) The Shipper may only Deliver Gas to an inlet point Inlet Point, or Receive Gas from an outlet point Outlet Point, to which it did not Deliver Gas or from which it did not Receive Gas, at the Capacity Start Date if:
  - (i) the inlet point or outlet point Inlet Point or Outlet Point is Associated with an Existing Station;
  - (ii) the inlet point or outlet point is: in the case of an Outlet Point, it is:
    - (A) owned by the Operator or an Operator Entity; or
    - (B) leased by <u>the Operator or an Operator Entity under an equipment lease</u>,
    - and the Shipper has entered into a Contribution Agreement in respect of the inlet point or outlet point that Outlet Point; or
  - (iii) the inlet point or outlet point inlet Point or Outlet Point is not of a type referred to in clauses 6.76.14(a)(i) or 6.76.14(a)(ii)(A) or 6.14(a)(ii)(B) and the Shipper has reached an agreement, arrangement or understanding with the owner of the Inlet Point or Outlet Point, whether or not in writing, to use that inlet point or outlet point with the owner of the inlet point or outlet point Inlet Point or Outlet Point.

For the purposes of clause 6.76.14(a)(ii), an Operator Entity excludes any Related Bodies Corporate of Alcoa or Alinta Limited.



- (b) A Contribution Agreement in respect of an inlet point or an outlet point is an agreement between Operator and Shipper:
- (b) under which(i) a Contribution Agreement in respect of an Outlet Point is an agreement between the Operator and the Shipper by which the Shipper agrees to pay to the Operator an amount in order to contribute by way of contribution to the Maintenance Charge for the inlet point or the outlet pointOutlet Point, determined in accordance with clause 6.6(i)6.12;
  - (ii) under which the Shipper's proportion of the Maintenance Charge is determined under clause 6.66.12(ac)(iii), or is otherwise agreed in the Contribution Agreement; and
  - (iii) <u>the Shipper agrees that another shipper (New Shipper)</u> may <u>deliver Gas to the relevant inlet point or receive Receive</u> Gas from the relevant <u>outlet pointOutlet Point</u>, if:
    - (A) the New Shipper agrees to pay to the Operator an amount in order to contribute by way of contribution to the Maintenance Charge for the inlet point or the outlet point Outlet Point determined in a manner consistent with the principles in clause 6.6(a)(iii6.12(c); and
    - (B) the Operator agrees to rebate to the Shipper all, or such proportion of, the contributions it receives from the New Shipper under clause 6.7(b)(iii)(A)6.14(b)(iii)(A) so as to implement the intention of clause 6.12 to apportion the relevant costs among the shippers using that point.
- (c) <u>The Operator must not unreasonably refuse to enter into or delay entering into, or insist upon unreasonable conditions in, a Contribution Agreement.</u>
- (d) Nothing in this clause <u>6.76.14</u> requires <u>the Shipper</u> to enter into an agreement with any person other than <u>the Operator</u>.

#### 6.15 Shipper Specific Facility Agreement

<u>The Operator</u> must not grant to any shipper (**New Shipper**) access to or use of (or enter into any agreement or arrangement to do so) any Inlet Point, Outlet Point, Associated inlet station Inlet Station or Associated outlet station Outlet Station, or related equipment (**Facility**) which is or has been the subject of an agreement or arrangement (**Facility Agreement**) under which the Shipper has contributed, or is contributing, to the capital costs or operating and maintenance costs (or both) of the Facility (**Facility Agreement**) without ensuring that:

- (a) subject to clause 6.86.15(b), the New Shipper is obliged to contribute to the capital costs or operating and maintenance costs (or both) of the Facility in a manner consistent with clause 6.76.14(b)(iii); and
- (b) <u>the Operator agrees to rebate to the Shipper the contributions it receives</u> from the New Shipper under clause 6.8(a6.15(a) in a manner consistent with clause 6.14(b)(iii).

#### 6.16 Total Physical Capacity

(a) <u>The Operator must not reduce or allow the reduction of the Total Physical</u>
Capacity of an Inlet Point or an Outlet Point, or a New Inlet Point or a New



Outlet Point or any inlet point or outlet point Inlet Point or Outlet Point to which or from which the Shipper is regularly Receiving Gas.

(b) Subject to the terms of any Multi-shipper Agreement, and subject to the rights of other shippers with a contracted Capacity Service at an inlet point or outlet point, Inlet Point or Outlet Point, the Shipper may use all the Total Current Physical Capacity of an inlet point or outlet point or Outlet Point.

#### 6.10 Notional Gate Point

#### 6.17 Certain installations taken to comply

Despite any other provisions of this Contract:

- (a) There is a notional gate point for each Sub-network at which all Contracted Capacity in respect of that Sub-network is taken to be located (**Notional Gate Point**).each Existing Station;
- (b) All Curtailments of Capacity utilised to Deliver Gas into the Sub-network are to be taken to occur at the Notional Gate Point.all facilities, ancillary equipment and services at each Existing Station; and
- (c) Operator may in its absolute discretion manage whether, at what times, to what extent and in what manner Gas deemed to be delivered at a Notional Gate Point is physically transported into the Associated Sub-network. <a href="mailto:the-associated-sub-network-the-metering-arrangements-entered-into-with-the-state-energy-commission-of-western-Australia prior to 1 January 1995 in respect of each Existing Station.">Existing Station.</a>

<u>are taken to comply in all respects with the provisions of this Contract, including clauses</u> <u>6.6 to 6.11.</u>



#### 7. OPERATING SPECIFICATIONS Operating Specifications

#### 7.1 Gas must comply with Gas specifications

Gas Delivered by <u>the Shipper to the Operator at an inlet point Inlet Point</u> or Delivered to <u>the Shipper by the Operator at an outlet point Outlet Point</u> must comply with the <del>relevant column in the Gas specifications set out in Item 1 of Schedule 3.</del>

#### 7.2 Gas to be free from certain substances

Gas Delivered by the Shipper to the Operator at an inlet point or Delivered to the Shipper by the Operator at an outlet point Outlet Point must be free, by normal commercial standards (as determined by the Operator), from dust and other solid or liquid matters, waxes, gums and gum-forming constituents, aromatic hydrocarbons, hydrogen, mercury and any other substance or thing which might cause injury to or interfere with the proper operation of any equipment through which it flows.

#### 7.3 Gas to be free from objectionable odours

Gas Delivered by <u>the Shipper to the Operator at an inlet point Inlet Point</u> must be free, by normal commercial standards, from objectionable odours.

#### 7.4 Gas temperature and pressure

- (a) The minimum and maximum temperatures and the minimum and maximum pressures at which <u>the Shipper may Deliver Gas to the Operator at the Inlet Points</u>, and <u>the Operator may Deliver Gas to the Shipper at the Outlet Points</u>, are those set out in <u>the Access Request Form. Item 2 of Schedule 3.</u>
- (b) The Parties may at any time agree in writing to vary any one or more of the pressures and temperatures set out in the Access Request Form. Item 2 of Schedule 3.

#### (c) If at any time:

- the minimum and the maximum temperature and the minimum and maximum pressure of an Inlet Point or an Outlet Point are not set out in Item 2 of Schedule 3; and
- (ii) the Shipper Delivers Gas to the Operator at that Inlet Point or the Shipper Receive Gas from the Operator at that Outlet Point,

then the Shipper is entitled to Deliver Gas at that Inlet Point or obliged to Receive Gas at that Outlet Point under this Contract,

- (iii) if the Operator is then Receiving Gas from or Delivering Gas to other shippers at that Inlet Point or Outlet Point, at the temperature and pressure at which the Operator is Receiving Gas from or Delivering Gas to those other shippers; or
- (iv) Subject to clause 7.4(d), if Shipper Delivers Gas to Operator at an Inlet Point or Shipper Receives Gas from Operator at anif the Operator is not then Receiving Gas from or Delivering Gas to other shippers at that Inlet Point or Outlet Point at which the minimum and the maximum temperature and the minimum and maximum pressure are not as set out in the Access Request Form, Shipper is entitled to Deliver Gas to the Inlet Point or Receive Gas at the Outlet Point (as the case may be) under this Contract at the temperature and pressure at which Operator at the



relevant Inlet Point or Outlet Point is otherwise Receiving Gas into the DBNGP or Delivering Gas out of the DBNGP at the time the Gas is Delivered or Received by Shipper at that Outlet Point, or if Operator is otherwise not Receiving Gas into the DBNGP or Delivering Gas out of the DBNGP at that time, then at the temperature and pressure at which, at the temperature and pressure at which the Operator was last entitled to Deliver Gas or obliged to Receive Gas into the DBNGP or Deliver Gas out of the DBNGP at that Inlet Point or Outlet Point under the terms of a contract with the relevantany other shipper.

(d) If the outlet point is a Notional Gate Point, Shipper is entitled to Receive Gas at the Outlet Point under this Contract at the temperature and pressure prescribed in or determined under clauses 6 and 7 of the Operating Arrangement for the Physical Gate Points associated with the Sub-network with which those Physical Gate Points are associated.

#### 7.5 Notice of Out-Ofof-Specification Gas

If either Party becomes aware that any Out-Ofor-Specification Gas is to enter or has entered the DBNGP at an inlet pointlnlet Point or is to leave or has left the DBNGP at an outlet point Outlet Point, it willmust as soon as reasonably practicable notify the other Party in accordance with clause 29.1(a).

#### 7.6 Operator and Shipper may refuse to Receive Out-Ofof-Specification Gas

- (a) Subject to any agreement under clauses 7.7 and 7.9, <u>the Operator may at any time without penalty refuse to Receive from the Shipper at an inlet point Inlet Point</u>, and <u>the Shipper may at any time without penalty refuse to Receive from the Operator at an <u>eutlet point Outlet Point</u>, any Out-<u>Ofof-Specification Gas</u>.</u>
- (b) <u>The Shipper is entitled to a refund of Capacity Reservation Charges for any Capacity it is unable to use on a Gas Day as a result of the Shipper refusing any Out-Ofof-Specification Gas under clause 7.6(a) to the extent that the Operator caused the Gas in the DBNGP to be Out-Ofof-Specification Gas.</u>

#### 7.7 Operator may Receive Out-Ofof-Specification Gas

<u>The</u> Operator may, at its own risk, agree to Receive Out-<u>Ofof</u>-Specification Gas from <u>the</u> Shipper at an <u>inlet point</u> on whatever terms and conditions (including as to pricing) that <u>the</u> Shipper and <u>the</u> Operator may agree.

#### 7.8 Shipper's Liability for Out <u>of Specification Gas</u>

If any Out-<u>Ofof</u>-Specification Gas Delivered by or on behalf of <u>the</u> Shipper enters the DBNGP without <u>the</u> Operator's agreement under clause 7.7:

- (a) <u>the Shipper is to be liable to the Operator for any loss or damage arising in</u> respect of the Out-<u>Ofof</u>-Specification Gas; and
- (b) Without limitation on any of its other rights atunder any Law, the Operator is, to the extent necessary to allow it to deal with that entry of Out-Ofof-Specification Gas:
  - (i) entitled to vent the Out-Ofof-Specification Gas, and the Shipper shall beis deemed not to have Delivered a quantity of Gas at the inlet point Inlet Point equivalent to the quantity of all Gas necessarily vented by the Operator; and



- (ii) relieved of any obligation to Deliver Gas to the Shipper by an amount no greater than the quantity of Gas vented by the Operator under clause 7.8(b)(i) on the basis that the Shipper is deemed not to have Delivered that quantity of Gas at the inlet pointInlet Point.
- (c) The exclusion of Indirect Damage in clause 23.3 does not apply in relation to the Shipper's liability under clause 7.8(a).

#### 7.9 Shipper may Receive Out-Ofof-Specification Gas

- (a) The Shipper may, at its own risk, agree to Receive Out-Ofof-Specification Gas from the Operator at an outlet pointOutlet Point, on whatever terms and conditions (including as to pricing) that the Shipper and the Operator may agree.
- (b) If any Out-Ofof-Specification Gas is delivered to the Shipper at an outlet point Outlet Point without the Shipper's agreement under clause 7.9(a), then except to the extent that the Shipper caused the Gas in the DBNGP to be Out-Ofof-Specification Gas the Operator is to be liable to the Shipper for Direct Damage arising in respect of the Out-Ofof-Specification Gas.

#### 7.10 Change of Law

- <u>(a)</u> If:
  - (i) at any time during the term of this Contract there is a change in <a href="mailto:any\_Law which requires the">any\_Law which requires the</a> Operator to Receive Gas into the <a href="DBNGP">DBNGP</a> with an operating specification for one or more components outside the Operating Specifications applying to the component or those components of the Operating Specifications (as may be amended from time to time pursuant to this clause 7.10) (**Permissible Specifications**); and
  - (ii) there is no shipper with an Inconsistent Existing Contractual Specification; and
  - (iii) <u>the Operator actually Receives into the DBNGP</u> Gas outside the Operating Specifications but within the Permissible Specifications to such an extent that it is unable to comply with the Operating Specifications for an <u>outlet pointOutlet Point</u> set out in Schedule 3,

then the Operator maymust notify the Shipper that:

- (iv) the Inlet Point Operating Specifications (and Item 1 of Schedule 3) are amended so as to substitute each operating specification of the Permissible Specification which is broader than that component of the Inlet Point Operating Specification, for the operating specification of that component of the Inlet Point Operating Specification; and
- (v) the Outlet Point Operating Specifications (and Item 1 of Schedule 3) is amended so as to broaden the specification for each component which has been amended in respect of the Inlet Point Operating Specification, by the same amount as the Inlet Point Operating Specification has been broadened by the operation of this clause-7.10.
- (b) In this clause 7.10 *Inconsistent Existing Contractual Specification* means:



- (i) in relation to an inlet point Inlet Point, if the amendments to the Inlet Point Operating Specification were made to accommodate the Permissible Specifications, the shipper would be in material breach of an Existing Producer Contract; or
- (ii) in relation to an <u>outlet pointOutlet Point</u>, if the amendments to the Outlet Point Operating Specifications were made to accommodate the Permissible Specifications, the shipper <u>wouldcould</u> be in material breach of an Existing Gas Supply Contract.

#### 7.11 Amendment Notice

The notice under clause 7.10 must:

- (a) contain details of the change in Law;
- (b) specify the amended operating specification for each component of the Inlet Point Operating Specification;
- (c) specify the amended operating specification for each component of the Outlet Point Operating Specification; and
- (d) specify the amendments to Item 1 of Schedule 3 which are made to give effect to the amended operating specifications for each component of the Inlet Point Operating Specification and the Outlet Point Operating Specification.

#### 7.12 Odorisation

<u>The Operator will Deliver Gas to Shipper, the Shipper at each Outlet Point at which odorising occurred as at 27 October 2004</u> odorised to the specification set out in the Gas Standards Regulations 1983 (WA), at each Outlet Point:

- (a) at which odorising occurred as at the beginning of the Access Arrangement
  Period: and
- (b) as required by the Law.

#### 7.13 Weighted average gas flows

- (a) If on a Gas Day at a Multi-shipper Inlet Point the Individual Gas Delivered by the Shipper to the inlet point is Out-Of-Specification Gas but the Blended Gas Delivered by all shippers to the inlet pointan Inlet Point that is a Multi-shipper Inlet Point is included in Blended Gas that meets the Blended Specifications then, (despite clause 7.6)7.6, the Operator must Receive the Individual Gas from the Shipper even if the Individual Gas is Out-of-Specification Gas.
- (b) For the purpose of this clause <u>7.13</u>:
  - (i) Blended Gas means all Gas Delivered to the relevant inlet point comprising thean Inlet Point under Relevant Contracts as a commingled-inlet stream and which is taken for the purposes of clause 6.3 to have been commingled at a point immediately upstream of that Inlet Point;
  - (ii) **Blended Specifications** means the notional operating specifications applying to the Blended Gas determined as a weighted average of the operating specifications for the relevant



inlet point Inlet Point applying under all Relevant Contracts calculated by weighting:

- (A) the value of each component comprising the Operating Specifications for the inlet point Inlet Point under each Relevant Contract; by
- (B) the scheduled Nominations at the inlet point Inlet Point for the Gas Day across all Capacity Services under each Relevant Contract;
- (iii) <u>Individual Gas means Gas Delivered into a Blended Gas Stream</u> immediately prior to it becoming Blended Gas; and
- (iv) **Relevant Contracts** means the contracts for each shipper who is delivering Gas to the inlet point lnlet Point on that day.



#### 8. **NOMINATIONS** Nominations

#### 8.1 Shipper may delegate to a Producer or an Appointed Agent

To the extent that this Contract prescribes certain things to be done by the Shipper which relate to Gas being Received by the Operator at an inlet point, Inlet Point, the Shipper may by agreement with a Producer or an Appointed Agent, appoint the Producer or the Appointed Agent (as the case may be) to do those things, but nothing in any such agreement relieves the Shipper of its obligations to the Operator under this Contract.

#### 8.2 Requests for advance information

- (a) To assist in its planning and forecasting, the Operator may from time to time, acting as a Reasonable Andand Prudent Person, request the Shipper to provide it with advance estimates (covering such periods and in such detail as the Operator may determine) in good faith of the Shipper's likely Nominations, which information will be governed by the provisions of clause 28.
- (b) <u>The Shipper must in good faith make reasonable endeavours to comply with any request made by the Operator under clause 8.2(a).</u>
- (c) Except as provided in clause 8.2(d) below, <u>the Shipper may</u>, without penalty, make (or not make) Nominations which differ materially from any estimates provided by it under clause 8.2(a).
- (d) Nothing in clause 8.2(c) limits any action against <u>the Shipper fraudulently or negligently provides to materially false information to the Operator under clause 8.2(a) materially false information.</u>

#### 8.3 Shipper's Daily Nominations do not affect Contracted Capacities

An allocation The scheduling of a Daily Nomination under this clause 8 does not affect or otherwise change the Shipper's Contracted Capacity.

#### 8.4 Nominations and Renominations must be in good faith

- (a) If <u>the</u> Shipper makes an Advance Nomination, an Initial Nomination, or a Renomination, it must do so in good faith, and must nominate for an amount of the Capacity Service which is <u>the</u> Shipper's best estimate as a Reasonable <u>Andand</u> Prudent Person of the amount of the Capacity Service it proposes to <u>utilize</u>utilise.
- (b) <u>The Operator and the Shipper acknowledge that the purpose of the Shipper making an Advance Nomination, an Initial Nomination or a Renomination is to:</u>
  - (i) assist the Operator schedule compressor use on the DBNGP; and
  - (ii) provide a basis for <u>the Operator</u> to manage any Point Specific Curtailments.

#### 8.5 Operator to make available bulletins of available Capacity

(a) <u>The Operator must</u>, on regular occasions during each Gas Day (sufficient to assist the Shipper in making its Initial Nomination, and any Renomination), make available on the CRS a bulletin specifying:





- (i) for at least that Gas Day and the following Gas Day, the amount of Capacity available or anticipated to be available for Nomination or Renomination; and
- (ii) subject to obtaining the relevant shipper sconsent, details of any Tradeable Capacity to be made available under clause 27.5,27.5; and
- (iii) disclosures required by Law.
- (b) No obligation to <u>allocateschedule a Capacity Service</u> under clauses 8.78.9 and 8.138.14 or otherwise arises merely by reason of because the Operator specifyingspecifies under clause 8.5(a) that Capacity is available for Nomination or Renomination, and nothing in such a bulletin limits the Operator's rights, under this Contract or at under any Law, to <u>Curtail</u> wholly or partly Curtail the Shipper's TR1 Service or to wholly or partly refuse wholly or partly to Receive Gas from, or Deliver Gas, to the Shipper.

#### 8.6 Shipper's Initial Nomination

- (a) The Shipper maymust, by notice to the Operator given no later than 14:00 hours on any Gas Day, nominate for the following Gas Day the quantity of Gas that the Shipper requires to Deliver to the Operator at each Nominated Inlet Point, and the quantity of Gas that the Shipper requires to Receive from the Operator at each Nominated Outlet Point in the TR1 Service (Initial Nomination).
- (b) In addition to the information required by clause 8.6(a), <u>the Shipper's Initial Nomination must:</u>
  - (i) set out-the sum of those Nominations:
    - (A) <u>the sum of those Nominations across all Inlet Points;</u> and
    - (B) <u>the sum of those Nominations</u> across all Outlet Points; and.

which sums must be equal, except where the Shipper seeks to reduce any Accumulated Imbalance in accordance with clause 9.

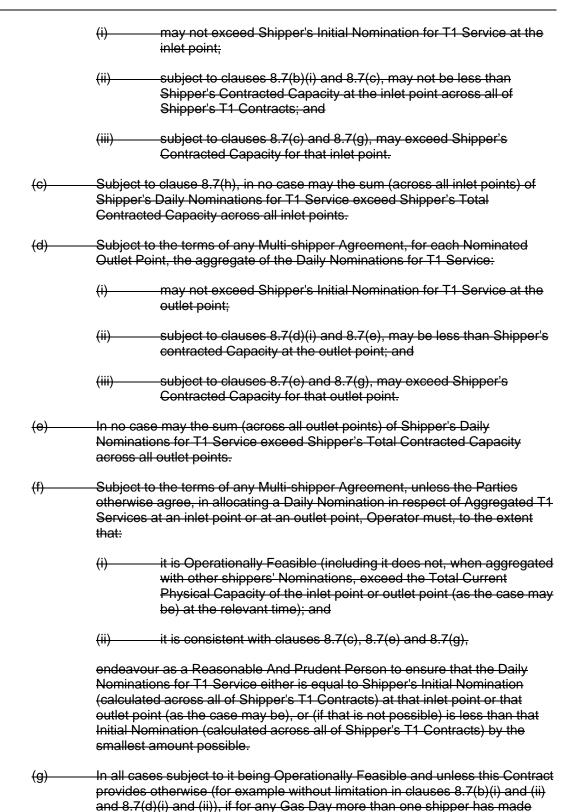
(ii) for each Nominated Inlet Point, identify the Producer or Producers which is or are to supply Gas to <u>the Shipper for Delivery to the Operator and</u>. (if there is more than one), the quantity to be provided by each.

#### 8.7 Allocation of Daily Nominations

- (a) Operator must, by no later than 16:00 hours on each Gas Day (that is, within two hours of the last time for Nomination under clause 8.6), by notice to Shipper allocate to Shipper for the Nominated Day, a Daily Nomination for T1 Service and (if applicable under the rules governing the market for Spot Capacity) Spot Capacity determined in accordance with this clause for each Nominated Inlet Point and for each Nominated Outlet Point.
- (b) Subject to the terms of any Multi-shipper Agreement, for each Nominated Inlet Point, the Daily Nomination for T1 Service:







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Nominations under different Types of Capacity Service or under the same Type of Capacity Service for delivery or receipt of Gas at an inlet point or an outlet point and Operator determines that it is not Operationally Feasible to meet all those Nominations, Operator must Curtail the shippers' Contracted Capacities and the available Capacity (if any, as determined by Operator, acting as a Reasonable And Prudent Person) must be allocated to those



Nominations for that inlet point or outlet point (as the case may be) in accordance with the provisions of clause 17.9.

- (h) The Daily Nomination for T1 Service at a Nominated Inlet Point may exceed Shipper's Contracted Capacity in that Capacity Service for that Nominated Inlet Point by a quantity of Gas which is Delivered for the purpose, or which would have the effect, of bringing Shipper's Accumulated Imbalance within the Accumulated Imbalance Limit unless Operator considers as a Reasonable And Prudent Person that to Deliver such Gas would interfere with other shippers' rights to their Contracted Firm Capacity.
- (i) If Operator allocates a Daily Nomination for T1 Service to Shipper which is less than Shipper's Initial Nomination for T1 Service at an Inlet Point or an Outlet Point, Operator is to be taken to have issued a Curtailment Notice at the time it makes the allocation of the Daily Nomination in respect of the difference between the Shipper's Contracted T1 Capacity and the Shipper's Daily Nomination for T1 Service for that Gas Day.

#### 8.7 Default provision for Daily Nomination

If <u>the Shipper does not make an Initial Nomination complying with clause 8.6 or an Advance Nomination complying with clause 8.178.16 for a Gas Day for Capacity at an <u>inlet point Inlet Point</u> or at an <u>eutlet point Outlet Point</u>, then <u>the Shipper's Daily Nomination for that Gas Day for the inlet point or for the Capacity Service at the outlet point Inlet Point or the Outlet Point (as the case may be) <u>shall be is</u> taken <u>as equal to be Shipper's Contracted Capacity at that inlet point or for the Capacity Service at that outlet point the Shipper's Daily Nomination for the previous Gas Day at that Inlet Point or Outlet Point (as the case may be).</u></u></u>

#### 8.8 Nominations priority

- (a) The priority of <u>allocations scheduling Capacity Services in respect</u> of Nominations for Capacity Services <u>and Spot Transactions</u> (from superior to inferior) is, so far as is relevant to the <u>inlet point or outlet point Inlet Point or Outlet Point</u>, set out in the column of Schedule 86 headed "Point Specific Curtailment" as supplemented by this clause 8 and clause 17.9.
- (b) Each category of Capacity Service described in a row of the Curtailment Plan (as relevant to the particular circumstance) refers separately to a *Type of Capacity Service* such that, for example, Alcoa's Priority Quantity is a *Type of Capacity Service*.

#### 8.9 Scheduling of Daily Nominations

- (a) The Operator must, by no later than 16:00 hours on each Gas Day (that is, within two hours of the last time for Nomination under clause 8.6), by notice to the Shipper, schedule Capacity Services in respect of the Shipper's Initial Nomination for the Nominated Day and, if applicable under the rules governing the market for Spot Capacity, schedule Capacity Services in respect of Spot Capacity determined in accordance with this clause 8.9, for each Nominated Inlet Point and for each Nominated Outlet Point.
- (b) Subject to the terms of any Multi-shipper Agreement, the scheduled Capacity Services for R1 Capacity for each Nominated Inlet Point:
  - (i) must not exceed the Shipper's Initial Nomination for R1 Service at that Inlet Point; and





- (ii) <u>subject to clauses 8.9(c) and 8.10, may not be less than the Shipper's Initial Nomination for R1 Service at that Inlet Point.</u>
- (c) Subject to clause 8.9(d), in no case may the sum of the scheduled Capacity
  Services in respect of the Shipper's Daily Nominations for R1 Service across
  all Inlet Points exceed the Shipper's Total Contracted R1 Capacity across all
  Inlet Points.
- (d) The scheduled Capacity Services in respect of the Shipper's Daily
  Nomination for R1 Service may exceed the Shipper's Total Contracted R1
  Capacity across all Inlet Points by a quantity of Gas which is to be Delivered for the purpose, or which would have the effect, of bringing the Shipper's
  Accumulated Imbalance within the Accumulated Imbalance Limit unless the Operator considers as a Reasonable and Prudent Person that to Deliver such gas would interfere with other shippers' rights to their Contracted Firm Capacity.
- (e) Subject to the terms of any Multi-shipper Agreement, the scheduled Capacity Services for R1 Capacity at each Nominated Outlet Point:
  - (i) must not exceed the Shipper's Initial Nomination for R1 Service at that Outlet Point; and
  - (ii) <u>subject to clauses 8.9(f) and 8.10, may not be less than the</u> Shipper's Initial Nomination for R1 Service at that Outlet Point.
- (f) Subject to clause 8.9(g), in no case may the sum of the scheduled Capacity
  Services in respect of the Shipper's Daily Nominations for R1 Service across
  all Outlet Points exceed the Shipper's Total Contracted R1 Capacity across
  all Outlet Points.
- (g) The scheduled Capacity Services in respect of the Shipper's Daily
  Nomination for R1 Service may exceed the Shipper's Total Contracted R1
  Capacity across all Outlet Points by a quantity of Gas which is to be
  Delivered for the purpose, or which would have the effect, of bringing the
  Shipper's Accumulated Imbalance within the Accumulated Imbalance Limit,
  unless the Operator considers as a Reasonable and Prudent Person that to
  Deliver such Gas would interfere with other shippers' rights to their
  Contracted Firm Capacity.

### 8.10 Scheduling where there is insufficient available Capacity

- In all cases, subject to it being Operationally Feasible, and unless this Contract provides otherwise (for example without limitation in clauses 8.9(b)(i), 8.9(b)(ii), 8.9(e)(i) and 8.9(e)(ii)), if for any Gas Day more than one shipper has made Nominations under different Types of Capacity Service or under the same Type of Capacity Service for delivery or receipt of Gas at an Inlet Point or an Outlet Point and the Operator determines that it is not Operationally Feasible to meet all those Nominations, the Operator must Curtail the shippers' Contracted Capacities and the available Capacity (if any, as determined by the Operator, acting as a Reasonable and Prudent Person) must be scheduled in respect of Capacity Services relating to those Nominations for that Inlet Point or Outlet Point (as the case may be) in accordance with the provisions of clause 17.9.
- (b) Subject to clause 17.9, if the Operator schedules a Capacity Service for R1
  Service to the Shipper which is less than the Shipper's Initial Nomination for
  R1 Service at an Inlet Point or an Outlet Point, the Operator is taken to have issued a Curtailment Notice at the time it schedules that Capacity Service,



such Curtailment being in respect of the difference between the Shipper's Contracted R1 Capacity and the Capacity Service scheduled by the Operator for R1 Service for that Gas Day.

### 8.11 Shipper may give Renomination notice

<u>The Shipper may once in respect of each Renomination time (as set out in clause 8.118.12)</u> for a Gas Day request a variation of its Daily Nomination for the Gas Day (*Renomination*) for one or more <u>inlet points Inlet Points</u> or for one or more <u>outlet points Outlet Points</u>, by giving notice to <u>the Operator specifying the amount and duration</u> (which may be any duration up to and including the balance of the Gas Day in respect of which the Renomination is made) of the requested variation.

### 8.12 Times for Renomination and allocationscheduling of revised Daily Nominations

- (a) Subject to clause 8.118.12(c), the Renomination times for each Gas Day are 07:00 hours (at which time Renominations may be given for the Gas Day just about to begin, not the Gas Day just about to end), and 12:00 hours and 20:00 hours in the Gas Day.
- (b) Subject to clause 8.118.12(c), if under clause 8.138.14 the Operator is required to allocateschedule the Capacity Service in respect of a revised Daily Nomination in response to the Shipper's Renomination received prior to a Renomination time, the Operator must use reasonable endeavours to makeeffect that allocationscheduling within 1 hour after the Renomination time.
- (c) <u>The Operator may, acting as a Reasonable Andand Prudent Person, from time to time by notice to the Shipper (which same notice must be given to all shippers) supplement or vary any one or more of the times prescribed in clause 8.118.12(a) or the period prescribed in clause 8.118.12(b).</u>
- (d) A notice under clause <u>8.118.12(c)</u> may be expressed to continue indefinitely or for a specified time, and may revoke, substitute or amend a previous notice.

### 8.13 Renominations reducing Daily Nomination

If a Renomination seeks to reduce the Shipper's Daily Nomination, the Operator must, by notice to Shipper allocate a revised the Shipper, schedule the relevant Capacity Service in respect of the Shipper's Daily Nomination in accordance with the Renomination.

### 8.14 Renominations increasing Daily Nomination

- (a) <u>The Operator may only refuse to increase schedule the increased Capacity</u>
  <u>Service required in respect of the Shipper's Daily Nomination in response to a Renomination:</u>
  - (i) if accommodating that increase is not Technically Practicable; or
  - (ii) to the extent that, after applying clauses 8.138.14(d) and 8.138.14(e) there is insufficient unallocatedunscheduled Capacity to satisfy the Renomination for that inlet point or outlet point Inlet Point or Outlet Point.
- (b) Subject to clause 8.138.14(a), if the Shipper's Renomination seeks to increase its Daily Nomination, the Operator must within the period prescribed in clause 8.118.12(b) (as varied, if applicable, by notice under clause



8.118.12(c)) by notice to the Shipper allocateschedule the increased Capacity Service required in respect of revised Daily Nominations.

- (c) A notice under clause <u>8.138.14(b)</u> must specify the period in respect of which the revised Daily Nominations are to apply.
- (d) Clause 8.78.9 applies (with appropriate modifications) to the Operator's allocation under clause 8.13(b)scheduling of the increased Capacity Service required in respect of revised Daily Nominations under clause 8.14(b).
- (e) Without otherwise limiting the Operator's discretion in relation to Curtailment, the Operator must, to the extent practicable and Operationally Feasible in the circumstances, Curtail any Capacity in a Type of Capacity Service (the first Type of Capacity Service), whenever it is necessary to do so in order to satisfy any shipper's Renomination for Reserved Capacity in relation to a Type of Capacity Service which has priority over the first Type of Capacity Service according to the order of priority set out in the column of the Curtailment Plan headed "Point Specific Curtailment".

### 8.15 Default provision for Renomination process

If any element of the Renomination procedure prescribed in this clause 8 is not completed within the time limit specified, unless the delay is caused or contributed to by the Operator not providing information in a timely manner under clause 8.5 or clause 15.5(d) or if for any other reason the Renomination procedure is not complied with, then the Shipper's Daily Nominations are to remain unchanged from the previous Gas Day's nomination (but if the Operator can reasonably continue and complete processing a Renomination after the expiry of the time limit in clause 8.118.12(b) it must do so).

### 8.15 Aggregated T1 Service

Subject to the terms of any Multi-shipper Agreement, the Parties agree that, for the purpose of the Nominations Plan, any Nomination for T1 Service which is, according to clause 8.16, deemed to be Aggregated T1 Service, shall be deemed to be a Nomination for a separate Type of Capacity Service which service ranks equally in priority with all other Aggregated T1 Service. For the purposes of applying the Curtailment Plan in a Point Specific Curtailment, the Aggregated T1 Service shall be excluded from the T1 Service.

# 8.16 Nominations at inlet points and outlet points where Shipper does not have sufficient Contracted Capacity

Subject to this clause 8, Shipper is entitled to nominate that Gas be Delivered under Shipper's T1 Service:

- (a) at an inlet point or an outlet point at which Shipper does not have Contracted Capacity for T1 Services; and
- (b) in excess of Shipper's Contracted Capacity for T1 Services at an Inlet Point or Outlet Point.

(being Aggregated T1 Service).

### 8.16 Shipper's Advance Nomination

(a) <u>The Shipper may nominate in advance for each Gas Day in any week or any month by giving notice complying with the requirements of clause 8.6 (with appropriate changes) for each of those Gas Days (*Advance Nomination*).</u>





- (b) The Advance Nomination must be given:
  - (i) no later than 17:00 hours on the Wednesday in the week before the nominated week (in the case of a Nomination a week in advance); or
  - (ii) at least 6 Working Days before the start of the nominated month (in the case of a Nomination a month in advance).
- (c) <u>The Operator must</u> in response to an Advance Nomination-allocate schedule a Daily Nomination for each nominated day determined in accordance with the provisions of clauses 8.7, 8.9, 8.15 and 8.168.8:
  - (i) no later than Friday in the week before the nominated week (in the case of a Nomination a week in advance); or
  - (ii) within 5 Working days of receipt of the Advance Nomination (in the case of a Nomination a month in advance).
- (d) <u>The Shipper may submit an Initial Nomination for a Gas Day in respect of which it has made an Advance Nomination and been allocated scheduled a Daily Nomination, in which case:</u>
  - (i) the Initial Nomination is not a Renomination; and
  - (ii) the Shipper's Advance Nomination for the Gas Day is of no effect.

### 8.18 Use of Full Haul capacity upstream of CS9

Where Shipper nominates for and is allocated Aggregated T1 Service at an outlet point which is upstream from Compressor Station 9 on the DBNGP and the Contracted Capacity for T1 Service from which that Aggregated T1 Service derives is at an outlet point located downstream of Compressor Station 9 on the DBNGP:

- (a) the Aggregated T1 Service is to be regarded as a Full Haul T1 Service for the purposes of this Contract; and
- (b) the Charges for the Aggregated T1 Service are to be calculated and paid on the basis that the Aggregated T1 Service is Full Haul and not Part Haul.



### 9. IMBALANCESImbalances

### 9.1 Operator to maintain balance

<u>The Operator</u> may do all things expected of a Reasonable <u>Andand</u> Prudent Person to maintain a balance between total Gas inputs to, and total Gas outputs from, the DBNGP, including (subject to the provisions of this clause and this Contract) restricting the quantity of Gas it Delivers to <u>the Shipper</u> at an <u>outlet pointOutlet Point</u>, and restricting the quantity of Gas it Receives from <u>the Shipper</u> at an <u>inlet pointInlet Point</u> in accordance with this Contract.

### 9.2 Shipper to maintain balance

On each Gas Day, <u>the Shipper must endeavour to maintain an Accumulated Imbalance of zero</u>, including restricting the quantity of Gas it Delivers to <u>the Operator at an inlet point Point</u>, and restricting the quantity of Gas it Receives from <u>the Operator at an outlet pointOutlet Point</u>.

### 9.3 Shipper's Accumulated Imbalance

At the end of any Gas Day, the Accumulated Imbalance is the Accumulated Imbalance at the end of the previous Gas Day plus <u>the</u> Shipper's Daily Imbalance on the Gas Day. <u>The Accumulated Imbalance at the Capacity Start Date is zero.</u>

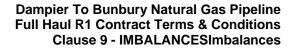
### 9.4 Notice of the Shipper's imbalances

Before 4113:0030 hours on each Gas Day, except the Capacity StartContract Commencement Date, the Operator must notifyprovide to the Shipper notice (Accumulated Imbalance Notice) of its Accumulated Imbalance and Daily Imbalance at the end of the preceding Gas Day (Accumulated Imbalance Notice), and the amounts so notified must, subject to the Operator receiving the information necessary to make an allocation of Gas Deliveries or Receipts or both to shippers as contemplated in clause 6.4(c) be materially accurate.

### 9.5 Accumulated Imbalance Limit

- (a) The Shipper's Accumulated Imbalance Limit for a Gas Day is 8% of the sum of Shipper's Capacity under Spot Transactions and quantities referred to as Contracted Capacity across all of the Shipper's Capacity Services (including T1 Service and any Capacity under Spot Transactions) for that Gas Day.
- (b) If at any time the absolute value of Shipper's Accumulated Imbalance exceeds the Accumulated Imbalance Limit for the Gas Day just finished and Operator, acting as a Reasonable And Prudent Person, considers that a continuation of that condition:
  - (i) will have a material adverse impact on the integrity or operation of the DBNGP; or
  - (ii) will adversely impact, or is likely to adversely impact, on any other shipper's entitlement to its Daily Nomination for T1 Capacity, B1 Capacity, P1 Capacity, Contracted Firm Capacity, or any Other Reserved Service.

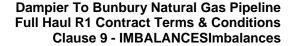
then, Operator (acting as a Reasonable And Prudent Person) may, subject to clause 9.5(f):





- (iii) issue a notice requiring Shipper to reduce its imbalance to the Accumulated Imbalance Limit (to the extent reasonably required to ameliorate the condition in clause 9.5(b)(i) or (ii)) and Shipper must use best endeavours in accordance with clause 9.5(d) to immediately comply, or procure compliance, with the notice, so as to bring Shipper's Accumulated Imbalance within the Accumulated Imbalance Limit: and/or
- (b) If at any time the absolute value of the Shipper's Accumulated Imbalance
  exceeds the Accumulated Imbalance Limit for the Gas Day just finished then,
  the Operator (acting as a Reasonable and Prudent Person) may, refuse to
  Receive Gas from the Shipper at an inlet point or refuse to Deliver
  Gas to the Shipper at an outlet point Outlet Point so as to bring the absolute
  value of the Shipper's Accumulated Imbalance within, or closer to, the
  Accumulated Imbalance Limit.
- (c) If Operator issues a notice under this clause 9.5 and Shipper's Accumulated Imbalance is:
  - (i) positive, Operator must issue a similar notice to all other shippers with a positive Accumulated Imbalance in excess of its

    Accumulated Imbalance Limit; or
  - (ii) negative, Operator must issue a similar notice to all other shippers with a negative Accumulated Imbalance the absolute value of which is in excess of its Accumulated Imbalance Limit.
- (d) If, after Operator issues a notice under clause 9.5(b)(iii):
  - (i) subject to clause 9.5(d)(ii), the absolute value of Shipper's
    Accumulated Imbalance is reducing each Gas Day, then Shipper
    is taken to be using best endeavours to comply, or procure
    compliance, with the notice for the purposes of clause 9.5(b)(iii);
    and
  - (ii) where the absolute value of Shipper's Accumulated Imbalance exceeds Shipper's Outer Accumulated Imbalance Limit and the absolute value of Shipper's Accumulated Imbalance is not less than the Accumulated Imbalance Limit by the end of the following Gas Day, Shipper is taken not to have used best endeavours to comply, or procure compliance, with the notice for the purposes of clause 9.5(b)(iii).
- (c) If Shipper does not comply and is not deemed pursuant to clause 9.5(d) to have used best endeavours to have complied with the notice issued for the purposes of clause 9.5(b)(iii) and as a result of such failure the absolute value of Shipper's Accumulated Imbalance remains greater than the Accumulated Imbalance Limit by the end of the following Gas Day, The Shipper must pay an Excess Imbalance Charge at the Excess Imbalance Rate for each GJ of Gas in excess of the Shipper's Accumulated Imbalance Limit up to the Outer Accumulated Imbalance Limit in accordance with clause 20 in respect of the Gas Day on which the notice is issued and each subsequent Gas Dayeach Gas Day that the absolute value of the Shipper's Accumulated Imbalance Limit until the absolute value of the Shipper's Accumulated Imbalance is less than, or closer to the Accumulated Imbalance Limit (as the Operator sees fit).
- (f) The Operator may not:





- (i) issue a notice pursuant to clause 9.5(b)(iii) or refuse to Receive or Deliver Gas pursuant to clause 9.5(b)(iv) unless it has, to the extent reasonable in the circumstances, first endeavoured to cooperate with Shipper to ameliorate the impact of the Shipper exceeding its Accumulated Imbalance Limit; or
- (ii) other than when due to Force Majeure or by reason of an emergency, refuse to Receive Gas or Deliver Gas pursuant to clause 9.5(b)(iv) without having issued a notice in accordance with clause 9.5(b)(iii).

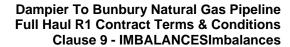
### 9.6 Excess Imbalance Charge

- (a) Shipper's Outer Accumulated Imbalance Limit for a Gas Day is 20% of the sum of Shipper's Capacity under Spot Transactions and quantities referred to as Contracted Capacity across all of Shipper's Capacity Services (including T1 Service and any Capacity under Spot Transactions) for that Gas Day.
- (b) If the absolute value of Shipper's Accumulated Imbalance at the end of a Gas Day exceeds the Outer Accumulated Imbalance Limit for the Gas Day just finished, then subject to clause 9.6(c), Shipper must pay an Excess Imbalance Charge at the Excess Imbalance Rate for each GJ of Gas in excess of Shipper's Outer Accumulated Imbalance Limit in accordance with clause 20.
- (d) No Excess Imbalance Charge under <u>clausesclause</u> 9.5(<u>b</u>) or <u>9.6(bc</u>) is to be payable to the extent<u>in respect of</u> that <u>part (if any) of</u> the imbalance <del>arose because</del>that is attributable to:
  - (i) Shipper's Capacity Service was Curtailed under clause 17;
  - (i) <u>the Operator</u>, for any reason not caused by <u>the Shipper or any person supplying Gas to the Shipper</u>, <u>does-not ReceiveReceiving</u> from <u>the Shipper</u> at any Inlet Point a quantity of Gas equal to <u>the Shipper</u>'s Daily Nomination for that Inlet Point;
  - (ii) <u>the Operator fails failing</u> to provide <u>the Shipper</u> with a materially accurate Accumulated Imbalance Notice within the period set out in clause 9.4; or
  - (iii) the Shipper isbeing unable, for reasons beyond the Shipper's control, to remedy an imbalance arising on a prior Gas Day but then only to the extent that such imbalance was caused by an event referred to in one of clauses 9.69.5(ed)(i), 9.6(e or 9.5(d)(ii) or 9.6(c)(iii),

but in each case Shipper's Daily Imbalance and Accumulated Imbalance are still to be calculated for the Gas Day.

## 9.6 Balancing in particular circumstances

(a) If the Parties anticipate a failure of <u>the</u> Shipper's Gas supply (including a failure due to an impending cyclone), the Parties may, if they consider it Technically Practicable and appropriate to do so, agree to increase for a short period the Accumulated Imbalance Limit or the Outer Accumulated Imbalance Limit (or both), in order to enable <u>the</u> Shipper to deposit additional Gas in the DBNGP in advance of that failure.





- (b) The Parties may, during a period in which the Shipper's Gas supply has wholly or partially failed, if they consider it Technically Practicable and appropriate to do so, agree to allow the Shipper to exceed the Accumulated Imbalance Limit, whether or not the Shipper has deposited additional Gas under clause 9.79.6(a) in anticipation of the failure of the Shipper's Gas supply.
- (c) Subject to clause 9.79.6(d), an agreement under clauses 9.79.6(a) or 9.79.6(b) may be on any terms and conditions the Parties consider Technically Practicable and appropriate. The agreement must be in writing (which may be contained in an email) and must be in place before the Shipper seeks to exercise or purport to exercise any rights under it or intended to be granted by it.
- (d) <u>The Operator may require an agreement under clause 9.79.6(b)</u> to contain any reasonable provisions it sees fit, including any or all of the following provisions:
  - (i) that <u>the</u> Operator may from time to time during the duration of that agreement, by notice to <u>the</u> Shipper, specify a limit for <u>the</u> Shipper's Accumulated Imbalance, beyond which limit <u>the</u> Operator may refuse to Receive Gas from <u>the</u> Shipper at an <u>inlet point Inlet Point</u> or Deliver Gas to <u>the</u> Shipper at an <u>outlet pointOutlet Point</u>, or both; and
  - (ii) that upon resumption of <u>the Shipper's Gas supply, the Operator</u> may require <u>the Shipper to restore the absolute value of its</u>
    Accumulated Imbalance to below the Accumulated Imbalance
    Limit as soon as reasonably practicable.
- (e) Nothing in this clause compels a Party to enter into an agreement under clauses 9.79.6(a) or 9.79.6(b).

### 9.7 Remedies for breach of imbalance limits

Except as provided in clause 9.10 below,9.9, the Operator may not exercise any rights or remedies against the Shipper for exceeding the Accumulated Imbalance Limit, other than:

- (a) an action for breach of clause 9.5(b)(iii), limited to the recovery of Direct Damages in accordance with clause 23 and Shipper's liability to Operator for Direct Damages suffered by Operator which is caused by or arises out of Shipper's failure to comply with clause 9.5(b)(iii) shall be reduced by any Excess Imbalance Charge or Excess Imbalance Charges paid by Shipper in respect of that failure:
- (a) to recover the Excess Imbalance Charge or Excess Imbalance Charges where permitted by and in accordance with this clause-9;
- (b) to refuse to Receive Gas from the Shipper at an inlet point or refuse to Deliver Gas to the Shipper at an outlet point Outlet Point so as to bring the Shipper's Accumulated Imbalance within the Accumulated Imbalance Limit; or
- (c) any combination of <u>the rights and remedies in clauses 9.8, 9.7(a), 9.8(b)</u> and  $\frac{9.8(c}{9.7(b)}$ .

The Parties agree that, because the rights and remedies set out in this clause <u>9.89.7</u> apply across all of <u>the Shipper's Capacity Services</u>, when in a particular circumstance,



the Operator exercises a right or pursues a remedy under this clause 9.8,9.7, the Operator shall-may not exercise the equivalent right, or pursue the equivalent remedy, under another contract for Capacity Service or in relation to another Capacity Service in relation to the same circumstance.

# 9.8 Trading in imbalances

- (a) The Shipper may exchange all or part of its Accumulated Imbalances with another shipper, on any terms they may agree, or may exchange all or part of its Accumulated Imbalances for accumulated imbalances under any other contract or contracts the Shipper has with the Operator for Capacity Services, in accordance with this clause 9.9.9.8.
- (b) The Shipper must give notice in writing of any such exchange in respect of a Gas Day to the Operator by 12:00 hours on the next Working Day following receipt from the Operator of the Shipper's Accumulated Imbalance Notice in accordance with clause 9.4 for that Gas Day. If the Shipper does not give notice of an exchange by the applicable time, then the exchange is of no effect.
- (c) On receipt of a notice under clause <u>9.99.8(b)</u>, <u>the Operator must calculate</u> adjustments in <u>the Shipper's Accumulated Imbalance to reflect the exchange and notify both shippers of the adjustments by the beginning of the next Gas Day.</u>

### 9.9 Cashing out imbalances at end of Contracteach Gas Month

- (a) The balancing process prescribed in this clause 9.109.9 is enly to be undertaken at the Capacity End Dateto be undertaken on the first day of each Gas Month (except the first Gas Month after the commencement of this contract) in relation to the Shipper's previous month's total Gas imputs to, and total Gas outputs from, the DBNGP.
- (b) If at the Capacity End Date, end of the last day of a Gas Month, the Shipper's Accumulated Imbalance is a positive number, Operator is to pay a fair market price to Shipper for that Gas. then, either:
  - (i) the Shipper enters into an agreement with the Operator for a
    Storage Service in relation to the Shipper's Accumulated
    Imbalance amount; or
  - (ii) the Operator must pay the Shipper for that Gas at the rate of \$2.50 per GJ (\$2009) (Imbalance Gas Rate). The Excess Imbalance Rate is escalated from 1 January 2010 on 1 January each year in accordance with the following formula:

$$IGR_n = \$2.50 \times \left(1 + 0.67 \frac{CPI_n - CPI_b}{CPI_b}\right)$$

where:

 $\underline{\textit{IGR}}_n$  is the Imbalance Gas Rate for the relevant year (expressed in \$ per GJ);

<u>CPI<sub>n</sub></u> means the CPI for the quarter ending on 30 September in the year prior to the year in respect of which the Excess Imbalance Rate is being escalated; and





<u>CPI<sub>b</sub> means the CPI for the quarter ending on 30 September 2008.</u>

- (c) If at the Capacity End Date,end of thelast day of a Gas Month, the Shipper's Accumulated Imbalance is a negative number, the Shipper is to pay a fair market price to Operator for that Gas.must either:
  - (i) pay the Operator for that Gas at the Operator's purchase price for that Gas; or
  - (ii) <u>deliver sufficient Gas to the Operator to restore the Shipper's</u>
    Accumulated Imbalance to zero,

as elected by the Shipper within 3 business days of receiving a Notice from the Operator of the price of that Gas.

### 9.10 Charges do not affect Daily Delivery

Nothing in this clause 9 entitles <u>the Shipper to Receive in any Gas Day a total quantity of Gas (across all outlet points Outlet Points)</u> which exceeds the sum (across all outlet points Outlet Points) of <u>the Shipper's Total Contracted Capacity.</u>



## 10. **PEAKING** Peaking

### 10.1 Hourly Peaking Limits

The Hourly Peaking Limits are:

- (a) 125% in Winter and 120% in Summer of the aggregate MHQ calculated across all outlet points Outlet Points on the DBNGP:
- (b) 125% in Winter and 120% in Summer of the aggregate MHQ calculated across all outlet points Outlet Points in Pipeline Zone 10; and
- (c) 125% in Winter and 120% in Summer of the aggregate MHQ calculated across all outlet points Outlet Points in Pipeline Zone 10B,

(each of the limits in (a), (b) and (c) being an Hourly Peaking Limit).

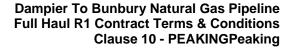
### 10.2 Shipper to stay within Hourly Peaking Limit

On each Gas Day, <u>the Shipper must</u> do all things expected of a Reasonable <u>Andand</u> Prudent Person to ensure that:

- (a) <u>the Shipper's Hourly Quantity for each Gas Hour calculated across all outlet points Outlet Points</u> on the DBNGP does not exceed the relevant Hourly Peaking Limit described in clause 10.1(a);
- (b) <u>the Shipper's Hourly Quantity for each Gas Hour calculated across all outlet points Outlet Points</u> in Pipeline Zone 10 does not exceed the relevant Hourly Peaking Limit described in clause 10.1(b); and
- (c) <u>the Shipper's Hourly Quantity for each Gas Hour calculated across all outlet points Outlet Points</u> in Pipeline Zone 10B does not exceed the relevant Hourly Peaking Limit described in clause 10.1(c).

### 10.3 Consequences of exceeding Hourly Peaking Limit

- (a) If at any time Shipper exceeds an Hourly Peaking Limit and Operator, acting as a Reasonable And Prudent Person, considers that a continuation of that condition:
  - (i) will have a material adverse impact on the integrity or operation of the DBNGP: or
  - (ii) will adversely impact, or is likely to adversely impact, on any other shipper's entitlement to its Daily Nomination for T1 Capacity, Contracted Firm Capacity, or any Other Reserved Service,
- (a) If at any time the Shipper exceeds an Hourly Peaking Limit the Operator (acting as a Reasonable Andand Prudent Person) may, subject to clause 10.6clauses 10.5 and to clause 10.3(h)10.3(g)(i), do either or both of the following:
  - (i) issue a notice requiring the Shipper to reduce its take of Gas, in that or future periods (to the extent reasonably required to ameliorate the condition in clauses 10.3(a)(i) or (ii)) and Shipper must use best endeavours in accordance with clause 10.3(c) to, in which case the Shipper must comply immediately comply, or procure immediate compliance, with the notice so as to and cease exceeding the Hourly Peaking Limit; and/or

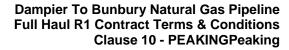




- (ii) refuse to Deliver Gas to the Shipper at any outlet point Outlet Point within the relevant pipeline zone until the Shipper's Hourly Quantity is within the Hourly Peaking Limit.
- (b) If <u>the</u> Operator issues a notice to <u>the</u> Shipper under <u>this</u> clause <u>10.3(a)(i)</u> and the Hourly Peaking Limit being exceeded relates to <u>outlet pointsOutlet Points</u>:
  - (i) on the DBNGP generally, <u>the Operator must issue a similar notice</u> to all shippers;
  - (ii) in Pipeline Zone 10, <u>the Operator</u> must issue a similar notice to all shippers with a contractual entitlement to capacity in Pipeline Zone 10; or
  - (iii) in Pipeline Zone 10B, <u>the Operator</u> must issue a similar notice to all shippers with a contractual entitlement to capacity in Pipeline Zone 10B.

which are exceeding their Hourly Peaking Limit or the equivalent under their relevant contracts.

- (c) If, after Operator issues a notice under clause 10.3(a)(iii):
  - (i) subject to clause 10.3(b), Shipper's Hourly Quantity calculated across the relevant outlet points is reducing, then Shipper is taken to be using best endeavours to comply, or procure compliance, with the notice for the purposes of clause 10.3(a)(iii); and
  - (ii) Shipper's Hourly Quantity calculated across the relevant outlet points is not within the Hourly Peaking Limit by the end of the following Gas Hour, Shipper is taken not to have used best endeavours to comply, or procure compliance, with the notice for the purposes of clause 10.3(a)(iii).
- (c) If the Shipper does not comply and is not deemed pursuant to clause 10.3(c) to have used best endeavours to have complied with the notices issued for the purposes of clause 10.3(a)(iiii) so that the Shipper is still exceeding at least one of the Hourly Peaking Limits by the end of the following Gas Hour, the Shipper must pay an Hourly Peaking Charge at the Hourly Peaking Rate for each GJ of Gas Received: Received in excess of the Hourly Peaking Limit, in accordance with clause 20.
  - (i) in excess of the Hourly Peaking Limit (if a notice has not been issued pursuant to clause 10.4(e)); or
  - (ii) in excess of the Hourly Peaking Limit up to the Outer Hourly Peaking Limit (if a notice has been issued pursuant to clause 10.4(e)), in accordance with clause 20.
- (d) If the Hourly Peaking Charge is payable under clause 10.3(dc), that charge is payable in respect of the Gas Hour in which the relevant Hourly Peaking Limit was first exceeded, and each subsequent Gas Hour until the first occasion on which the Shipper is no longer exceeding any of the Hourly Peaking Limits (after which the Shipper shallis not liable to pay any Hourly Peaking Charge until a new notice is issued under clause 10.3(a)(iii)).
- (e) If <u>the Shipper exceeds more than one Hourly Peaking Limit in respect of the same Gas Hour, then the Hourly Peaking Charge under clause 10.3(e)</u> is calculated using only the amount of the largest excess.





- (f) No Hourly Peaking Charge whether under clause 10.3(d) or 10.4(b) is payable in respect toof any Gas Hour in respect of which the Operator:
  - (i) fails to provide <u>the Shipper</u> with the information required in accordance with clause 15.5(d)(i); or
  - (ii) provides <u>the</u> Shipper with information under clause 15.5(d)(i) which is <u>materially inaccurate</u> incorrect in any material respect.

### (g) The Operator may not:

- (i) issue a notice pursuant to clause 10.3(a)(iiii) or refuse to Deliver Gas pursuant to clause 10.3(a)(ivii) unless it has, to the extent reasonable in the circumstances, first endeavoured to co-operate with the Shipper to ameliorate the impact of the Shipper exceeding its Hourly Peaking Limit; or
- (ii) other than when due to Force Majeure or by reason of an emergency, refuse to Deliver Gas pursuant to clause 10.3(a)(ivii) without having issued a notice in accordance with clause 10.3(a)(iiii).

# 10.4 Outer Hourly Peaking Limit

- (a) (i) Shipper's Outer Hourly Peaking Limits are:
  - (ii) 140% of the aggregate MHQ calculated across all outlet points on the DBNGP;
  - (iii) 140% of the aggregate MHQ calculated across all outlet points in Pipeline Zone 10; and
  - (iv) 140% of the aggregate MHQ calculated across all outlet points in Pipeline Zone 10B,

(each of the limits in (i), (ii) and (iii) being an Outer Hourly Peaking Limit).

- (b) For each Gas Hour following the issue of a notice pursuant to clause 10.4(e) that Shipper exceeds an Outer Hourly Peaking Limit, Shipper must pay at the Hourly Peaking Rate an Hourly Peaking Charge for each GJ of Gas Received in excess of the relevant Outer Hourly Peaking Limit during that Gas Hour in accordance with clause 20.
- (c) If Shipper exceeds more than one Outer Hourly Peaking Limit in respect of the same Gas Hour, then the Hourly Peaking Charge under clause 10.4(b) is calculated using only the amount of the largest excess.
- (d) If an Hourly Peaking Charge is payable under clause 10.3(d) and also 10.4(b) in respect of a Gas Hour, then Shipper is required to pay both the charge under clause 10.3(d) and the charge under clause 10.4(b).
- (e) If at any time Shipper's take of Gas is such that Operator, acting as a Reasonable And Prudent Person, believes that Shipper has exceeded or is likely to exceed an Outer Hourly Peaking Limit, Operator may issue a notice to Shipper of that fact. A notice given under this clause 10.4(e) is only valid for the purposes of clause 10.4(b) and clause 10.3(d)(ii) until Shipper has ceased to exceed the Hourly Peaking Limit.



### 10.4 Charges do not affect Daily Delivery

Nothing in this clause 10 entitles <u>the Shipper to Receive in any Gas Day a total quantity</u> of Gas (across all <u>outlet pointsOutlet Points</u>) which exceeds the sum (across all <u>outlet pointsOutlet Points</u>) of <u>the Shipper's Total Contracted Capacity</u>.

## 10.5 Remedies for breach of peaking limits

<u>The Operator maymust</u> not exercise any rights or remedies against <u>the</u> Shipper for exceeding an Hourly Peaking Limit, other than:

- (a) for breach of clause 10.3(a)(iiii) limited to the recovery of Direct Damages in accordance with clause 23 and the Shipper's liability to the Operator for Direct Damages suffered by the Operator which is caused by or arises out of the Shipper's failure to comply with clause 10.3(a)(iiii) shall be reduced by any Hourly Peaking Charge or Hourly Peaking Charges paid by the Shipper in respect of that failure;
- (b) to recover the Hourly Peaking Charge or Hourly Peaking Charges where permissible by and in accordance with this clause 10;
- (c) to refuse to Deliver Gas to <u>the Shipper at an outlet point Outlet Point</u> (in accordance with clause 10.3(a)(ivii)); or
- (d) any combination of clauses <u>10.610.5(a)</u>, <u>10.610.5(b)</u> and <u>10.610.5(c)</u>.

The Parties agree that, because the rights and remedies set out in this clause 40.610.5 apply across all of the Shipper's Capacity Services, when in a particular circumstance, the Operator exercises a right or pursues a remedy under this clause 40.6,10.5, the Operator shallmust not exercise the equivalent right or remedy under another contract for Capacity Service or in relation to another Capacity Service in relation to the same circumstance.

# 10.7 Permissible Peaking Excursion

Operator must not refuse to Deliver Gas under clause 10.3(a)(iv) if Shipper is not exceeding its Outer Hourly Peaking Limit and:

- (a) is a Distribution Networks Shipper and the cause of Shipper exceeding its
  Hourly Peaking Limit is the quantity of Gas Received by Shipper at a Notional
  Gate Point for a Distribution Network; or
- (b) another shipper has recently had or has an absolute peak significantly greater than its Outer Hourly Peaking Limit or a Distribution Networks Shipper has exceeded its Hourly Peaking Limit in the manner permitted by clause 10.7(a), and this causes or contributes to the need for Operator to propose to refuse to Deliver Gas to Shipper at outlet points.



## 11. OVERRUNOverrun

### 11.1 Overrun Charge

- (a) In respect of each GJ of Overrun Gas Received by the Shipper on a Gas Day, the Shipper must pay an Overrun Charge calculated by applying the Overrun Rate to the total Overrun Gas Received by the Shipper on that Gas Day in accordance with clause 20.
- (b) The Overrun Rate is the greater of:
  - (i) 115500% of the T1 ReferenceR1 Tariff; and
  - (ii) the highest price bid for Spot Capacity which was accepted for that Gas Day other than when the highest price bid was not a bona fide bid, in which case the highest bona fide bid,

### (Overrun Rate).

(c) All Overrun Gas Delivered on a Gas Day is tomust be included in the calculation of the Shipper's Hourly Quantities, Total Inlet Quantity and Total Outlet Quantity for that Gas Day.

### 11.2 Unavailability Notice

- (a) The Operator may at any time, acting as a Reasonable Andand Prudent Person, and (subject to clause 11.2(b)) without advance notice to Shipper, give notice (an *Unavailability Notice*) to the Shipper that Overrun Gas is unavailable to the Shipper, or is only available to the Shipper to a limited extent, for one or more Gas Days, but only to the extent that Shipper overrun will impact or is likely to impact on any other shipper's entitlement to its Daily Nomination for T1 Capacity, any Other Reserved Service or allocated Spot Capacity. The Operator shallmust, at the same time, give an Unavailability Notice to all other shippers that are taking Overrun Gas, the taking of which, due to the location on the DBNGP at which the Overrun Gas is being taken, impacts uponhas an impact on the ability of the Operator to Deliver Gas to meet its obligations to shippers.
- (b) The Operator must use reasonable endeavours to give the Shipper and all other shippers advance notice (which may be by written notice or otherwise) which is reasonable in the circumstances of any unavailability or limited availability of Overrun Gas, but the Operator's omission to give any such advance notice does not affect its entitlement to give any Unavailability Notice.
- (c) Any Curtailment Notice issued under clause 17 for any period is-to-be taken to constitute an Unavailability Notice indicating that Overrun Gas is wholly unavailable for the same period unless the Curtailment:
  - (i) is a Point Specific Curtailment;
  - (ii) does not affect Gas Transmission Capacity generally; and
  - (iii) does not affect the inlet point or outlet point Inlet Point or Outlet

    <u>Point</u> at which the Overrun Gas is being received Received by the Shipper.



### 11.3 Content of an Unavailability Notice

An Unavailability Notice:

- (a) may apply to the Gas Day on which the Unavailability Notice is issued even though, in order to comply with such an Unavailability Notice, the Shipper must cease taking Delivery of Overrun Gas upon receipt of the notice in accordance with clause 11.4;
- (b) is temust identify the Gas Day or Gas Days to which the notice applies;
- (c) may be expressed to continue indefinitely or for a specified period;
- (d) may revoke, substitute or amend a previous Unavailability Notice; and
- (e) must state the quantity of Overrun Gas which is available to the Shipper.

### 11.4 Compliance with Unavailability Notice

- (a) The Shipper must use its best endeavours to comply immediately, and must:
  - (i) Shipper must use its best endeavours to immediately, and must as soon as practicable and in any event no later than one hour after receipt of the notice, to comply, or procure compliance, with an Unavailability Notice, by ensuring that the total of its Overrun Gas for each Gas Day to which the Unavailability Notice applies does not exceed the quantity of Overrun Gas (if any) indicated by the Unavailability Notice to be available to the Shipper; and
  - (ii) as soon as practicable after receipt of the notice to comply, provide notice to the Operator advising of the measures being taken to ensure compliance with 11.4(a)(i).

### 11.5 Operator may refuse to Deliver Overrun Gas

In addition to any other rights <u>the Operator</u> has to refuse to Deliver Gas under clause <u>5.7,5.6, the Operator</u> may refuse to Deliver Overrun Gas to <u>the Shipper</u> at an <u>outlet point Outlet Point of the Shipper</u> does not comply, <u>or procure compliance</u>, with an Unavailability Notice, in accordance with clause 11.4.

### 11.6 Unavailable Overrun Charge

In addition to any charge payable under clause 11.1, if <u>the</u> Shipper does not comply, or procure compliance, with an Unavailability Notice in accordance with clause 11.4, <u>the</u> Shipper must pay, in accordance with clause 20, an Unavailable Overrun Charge at the Unavailable Overrun Rate for each GJ of Gas taken by <u>the</u> Shipper in excess of the quantity of Overrun Gas specified in the Unavailability Notice as being available to <u>the</u> Shipper.

# 11.7 Saving and damages

- (a) Nothing in this clause 11 limits, affects or prejudices the Operator's right to refuse to Receive Gas under clause 5.3 or to refuse to Deliver Gas under clause 5.7.5.6.
- (b) <u>The Shipper's liability to the Operator for any Direct Damage suffered by the Operator which is caused by or arises out of the Shipper's failure to comply with an Unavailability Notice shall be reduced by any Unavailable Overrun Charge paid by the Shipper under clause 11.6 in respect of that failure.</u>



# Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 11 - OVERRUNOverrun

- (c) <u>The Shipper is not liable to pay the Overrun Charge under clause 11.1 and the Unavailable Overrun Charge under clause 11.6 in respect of the same quantity of Overrun Gas.</u>
- (d) <u>The Shipper is not liable to pay the Unavailable Overrun Charge with respect to any Gas Day in which the Operator:</u>
  - (i) fails to provide <u>the Shipper</u> with the information required in accordance with clause 15.5(d)(i); or
  - (ii) provides <u>the Shipper with information under clause 15.5(d)(i)</u> which is <u>materially inaccurate incorrect in any material respect but</u> only to the extent that the information is incorrect,

but shall beis liable to pay the Overrun Charge in respect to the relevant quantity of Overrun Gas as if an Unavailability Notice had not been issued.

(e) The Parties agree that, because the rights and remedies set out in this clause 11 apply across all of the Shipper's Capacity Services, when in particular circumstances the Operator exercises a right or issues a remedy under this clause 4411, the Operator shallmust not exercise the equivalent right or remedy under another contract for Capacity Services or in relation to another Capacity Service in relation to the same circumstances.



# Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions

Clause 12 - ADDITIONAL RIGHTS AND OBLIGATIONS OF OPERATORAdditional Rights and Obligations of Operator

# 12. ADDITIONAL RIGHTS AND OBLIGATIONS OF OPERATOR Additional Rights and Obligations of Operator

### 12.1 Commingling of Gas

<u>The Operator will have the right to commingle the Gas supplied Delivered</u> by <u>the Shipper</u> at <u>the inlet point an Inlet Point</u> with other Gas in the DBNGP during transportation and is entitled to Deliver different molecules to <u>the Shipper</u> at the <u>outlet pointsOutlet Points</u> from those received at the Inlet Points.

### 12.2 Processing

Subject to its obligations under this Contract, <u>the Operator may</u> (but is not obliged to) compress, cool, heat, clean and apply other processes to Gas during transportation acting as a Reasonable <u>Andand</u> Prudent Person consistent with its operation of the DBNGP.

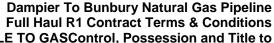
### 12.3 Operation of Pipeline System

- (a) In operating, maintaining or expanding the DBNGP, the Operator must:
  - (i) comply with all its obligations under this Contract; and
  - (ii) use Good Gas Industry Practice.
- (b) Except as provided in clause 12.3(a), <u>the Operator may decide the manner in which it will operate the DBNGP.</u>
- (c) In acting under this Contract, <u>the Shipper must use Good Gas Industry Practice.</u>

### 12.4 Delivery of Gas

<u>The Operator may</u> (but only if <u>the Operator chooses</u> to do so) satisfy its obligation to <u>Deliver Gas to enable gas to be Delivered to the Shipper by using a Gas pipeline using any means other than the DBNGP, provided;</u>

- (a) that Operator that the Operator otherwise meets its obligations under this Contract: and
- (b) there is no extra cost or risk to Shipper in doing so.





# Clause 13 - CONTROL, POSSESSION AND TITLE TO GASControl, Possession and Title to Gas

# 13. CONTROL, POSSESSION AND TITLE TO GASCOntrol, Possession and Title to Gas

### 13.1 Warranty of Title

- (a) The Shipper warrants that, at the time it Delivers Gas to the Operator at an inlet point, Inlet Point, the Shipper has good title to the Gas free and clear of all liens, encumbrances and claims of any nature inconsistent with the Operator's operation of the DBNGP.
- (b) Subject to clause 13.1(a) being true and accurate correct at all times, the Operator warrants that at the time it supplies Delivers Gas to the Shipper at an outlet point, Outlet Point, the Operator has good title to the Gas free and clear of all liens, encumbrances and claims of any nature whatsoever.

### 13.2 Control, Possession, Responsibility and Title of Shipper

The Shipper warrants to the Operator at each relevant time that the Shipper:

- (a) is in Possession of the Gas immediately prior to its supply Delivery to the Operator at an inlet point Inlet Point and immediately after its Delivery to the Shipper at an outlet pointOutlet Point; and
- (b) has legal responsibility and liability for Gas while it is within the Possession of the Shipper.

### 13.3 Title, Custody, Control and Responsibility of Operator

- (a) The Operator will must:
  - (i) take title to, and have is taken to be in Possession of, Gas from the receipt Receipt of Gas from the Shipper at an inlet point Inlet Point until Delivery of Gas to the Shipper at an outlet point Outlet Point; and
  - (ii) have legal responsibility and liability for Gas while it is within the Operator's Possession.
- (b) (i) <u>The Operator shall delivermust Deliver</u> good title to Gas Delivered to <u>the Shipper at an outlet pointOutlet Point</u>; and
  - (ii) <u>the Shipper willmust</u> take title to Gas immediately after its Delivery to the Shipper at an outlet point Outlet Point,

free and clear of all liens, encumbrances and claims of any nature whatsoever.

### 13.4 Entitlements to Receive Gas

- (a) Subject to clause 13.4(c), upon the transfer from <u>the Shipper to the Operator</u> of title to and possession of a quantity (in terajoules) of Gas Delivered at an <u>inlet pointInlet Point</u>, the Shipper becomes entitled to:
  - (i) Receive Gas from <u>the Operator</u> at an <u>outlet pointOutlet Point</u> other than a Notional Gate Point; or
  - (ii) subject to clause 13.5(b), Receive Gas from <u>the Operator</u> at an <u>outlet pointOutlet Point</u> that is a Notional Gate Point.



# Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions LE TO GASControl, Possession and Title to

# Clause 13 - CONTROL, POSSESSION AND TITLE TO GASControl, Possession and Title to Gas

- (b) The quantity of Gas that <u>the Shipper becomes entitled to Receive in aggregate under clause 13.4(a) is a quantity equivalent (in terajoules) to the quantity of Gas <u>deliveredDelivered</u> at the <u>inlet pointInlet Point</u>.</u>
- (c) Clauses 13.4(a) and 13.4(b) do not affect a provision of this Contract entitling the Operator to Curtail wholly or partially-Curtail or interrupt the Shipper's use of Capacity or to wholly or partially refuse wholly or partially to Deliver Gas to the Shipper and do not affect the obligations of the Shipper to Deliver Gas and Receive Gas in such a manner as complies with this Contract, including so as to ensure the Shipper remains within the limits prescribed by this Contract in clauses 9 and 10.

# 13.5 Title at outlet pointsOutlet Points

- (a) Unless the Delivery is at an <a href="mailto:outlet-point">outlet Point</a> that is a Notional Gate Point, the Delivery of the Gas by <a href="mailto:the-point">the Operator to the Shipper at an <a href="mailto:outlet-point">outlet Point</a> is a transfer of title to and possession of the Gas from <a href="mailto:the-point">the Operator to the Shipper</a>, effective at the <a href="mailto:outlet-point">outlet Point</a> and at the time of Delivery, and free and clear of all encumbrances, liens and claims of any nature.
- (b) If the Delivery is at an outlet point Outlet Point that is a Notional Gate Point, then:
  - (i) the Delivery of the Gas by the Operator is followed immediately by a Delivery of the Gas from the Shipper back to the Operator at the outlet point Outlet Point (for transport to a Physical Gate Point associated with the Notional Gate Point) and no transfer of title to and possession of the Gas is involved:
  - (ii) <u>the Operator</u> may in its discretion as a Reasonable <u>Andand</u>
    Prudent Person manage the times, extent and manner that Gas
    deemed to be delivered at a Notional Gate Point is physically
    transported into the Associated sub-network; and
  - (iii) subject to any Law or any other agreement to which both <a href="mailto:the">the</a>
    Operator and <a href="mailto:the">the</a> Shipper are parties, the Delivery of Gas by <a href="mailto:the">the</a>
    Operator at a Physical Gate Point is, by force of this clause <a href="mailto:13.5">13.5</a>, a transfer of title to and possession of the Gas from <a href="mailto:the">the</a> Operator to <a href="mailto:the">the</a> Shipper, effective at the Physical Gate Point and at the time of Delivery, and free and clear of all encumbrances, liens and claims of any nature.



## 14. RELOCATION Relocation

### 14.1 Request for relocation of Contracted Capacity

<u>The Shipper may</u>, by notice in writing to <u>the Operator</u>, request a relocation of all or any part of its Contracted Capacity from an Existing Inlet Point to a New Inlet Point or from an Existing Outlet Point to a New Outlet Point (*Requested Relocation*).

### 14.2 Assessment of Requested Relocation

- (a) The Operator must, as soon as reasonably practicable and in any event not later than 40 Working Days after receiving a notice under clause 14.1, assess as a Reasonable Andand Prudent Person whether the Requested Relocation is an Authorised Relocation having regard to, among other things, the order, relative to its receipt of equivalent notices received from other shippers, in which the Shipper's Requested Relocation was received, (but for the avoidance of doubt the Parties intend this priority to apply only to the extent that requested relocations compete or conflict with each other for utilization of capacity).
- (b) For the purposes of clause 14.2(a), a Requested Relocation of Contracted Capacity willis not-be an Authorised Relocation if:
  - (i) the Requested Relocation would cause the sum (after the relocation) of all shippers':
    - (A) quantities referred to as Contracted Capacity for that inlet point Inlet Point across all of shippers' Capacity Services (including ∓R1 Services and all Other Reserved Services) at the New Inlet Point to exceed the New Inlet Point's Total Current Physical Capacity or to exceed the safe operating capability of the part of the DBNGP at which the New Inlet Point is located; or
    - (B) quantities referred to as Contracted Capacity for that outlet point Outlet Point across all shippers' Capacity Services (including TR1 Services and all Other Reserved Services) at the New Outlet Point to exceed the New Outlet Point's Total Current Physical Capacity or to exceed the safe operating capability of the part of the DBNGP at which the New Outlet Point is located;
  - (ii) in the opinion of the Operator, as a Reasonable Andand Prudent Person, the Requested Relocation would not be Operationally Feasible, and for the avoidance of doubt an increase in compressor fuel costs does not mean the Requested Relocation is not Operationally Feasible; or
  - (iii) the Requested Relocation is such that the New Inlet Point would be downstream of the New Outlet Point and it would change the normal direction of Gas flow in the DBNGP.
- (c) For the purposes of clause 14.2(a), a Requested Relocation of Contracted Capacity to a New Inlet Point will be an Authorised Relocation under the Contract if:
  - (i) the Requested Relocation would result in the New Inlet Point being downstream of the Existing Inlet Point;





- (ii) the Requested Relocation would not cause the sum (after the relocation) of all shippers' quantities referred to as Contracted Capacity for that inlet point across all of shippers' Capacity Services (including TR1 ServiceServices and all Other Reserved Services) at the New Inlet Point to exceed the New Inlet Point's Total Current Physical Capacity; and
- (ii) if the New Inlet Point is a proposed inlet point that new inlet point satisifies the Operator's technical and operational requirements; and
- (iii) <u>the Shipper has entered into a Contribution Agreement, or any other agreement, arrangement or understanding required by clause 6.76.14(a)(iii), in relation to that New Inlet Point.</u>
- (d) For the purposes of clause 14.2(a), a Requested Relocation of Contracted Capacity to a New Outlet Point will be an Authorised Relocation under this Contract if:
  - (i) the Requested Relocation would result in the New Outlet Point being upstream, or within a proximity of 2 kilometres, whether upstream or downstream of the Existing Outlet Point;
  - (ii) <u>if the New Inlet Point is a proposed inlet point that new inlet point</u> satisifies the Operator's technical and operational requirements;
  - (iii) the Requested Relocation would not cause the sum (after the relocation) of all shippers' quantities referred to as Contracted Capacity for that <u>outlet pointOutlet Point</u> across all shippers' Capacity Services (including <u>TR1 ServiceServices</u> and all Other Reserved Services) at the New Outlet Point to exceed the New Outlet Point's Total Current Physical Capacity or to exceed the safe operating capability of the part of the DBNGP at which the New Outlet Point is located; and
  - (iv) <u>the Shipper has entered into a Contribution Agreement</u>, or any other agreement, arrangement or understanding required by clause 6.76.14(a)(iii), in relation to that outlet point Outlet Point.

### 14.3 Operator to notify Shipper

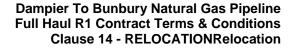
As soon as practicable after completing its assessment under clause 14.2(a), the Operator must give notice in writing to the Shipper advising either that the Requested Relocation is:

- (a) not an Authorised Relocation; or
- (b) an Authorised Relocation.

## 14.4 Requested Relocation is an Authorised Relocation

If <u>the</u> Operator gives notice that the Requested Relocation is an Authorised Relocation under clause 14.3(b):

(a) the Operator and the Shipper must negotiate in good faith regarding the cost to the Shipper (which in no case shallmay be less than the Operator's out-of-pocket costs and shallmust include a reasonable charge for the Operator's management time) in respect of any new facilities (including the New Inlet





Point or New Outlet Point) which <u>the Shipper will be wholly or partially utilizingutilising.</u>

- (b) If such agreement is not reached, the matter shallmust be regarded as a Dispute to be resolved as a Technical Matter and will be dealt with in accordance with clause 24.
- (c) <u>the Shipper must pay the charges specified in clause 14.7 in accordance with clause 20.</u>

### 14.5 Requested Relocation is not an Authorised Relocation

If <u>the Operator</u> gives notice that the Requested Relocation is not an Authorised Relocation under clause 14.3(a), <u>the Operator</u> and <u>the Shipper</u> (acting reasonably) may agree (on any fair and reasonable terms and conditions, including terms and conditions as to price) the operational restrictions which will apply to the use by <u>the Shipper</u> of the New Inlet Point or New Outlet Point which will enable the Parties to implement the Requested Relocation of Contracted Capacity.

### 14.6 Relocated Contracted Capacity to be on same terms and conditions

Subject to clauses 14.7 and 14.8 and unless the Parties agree in writing to the contrary, any Contracted Capacity relocated under this clause 14 is tomust be on the same terms and conditions as the Contracted Capacity at the Existing Inlet Point or the Existing Outlet Point (as the case may be).

### 14.7 Charges for relocation

- (a) Unless the Parties agree in writing to the contrary, no Charges payable under this Contract are to<u>must</u> be reduced as a result of a relocation of Contracted Capacity under this clause 14, even if the relocation causes some or all Gas to be transported over a shorter distance, or the relocation causes a notional reversal of flow of Gas transported under this Contract for <u>the</u> Shipper from Forward Haul to Back Haul.
- (b) If a relocation of Capacity under this clause 14 results in Gas being transported to the Shipper to a point downstream of the southern most point of the DBNGP as at 30 December 2003 (being Clifton Road), the Shipper must pay the additional tariff required by the Operator in respect to the increased distance beyond Clifton Road over which the Gas is transported, in accordance with clause 20. Nothing in this clause obliges the Operator to accept a Requested Relocation of Capacity to an inlet point or outlet point point or Outlet Point which is not located on the DBNGP.
- (c) If a relocation of Capacity under this clause results in Gas being transported to an Outlet Point up-stream of Compressor Station 9 on the DBNGP so that a Full Haul service becomes a Part Haul service, any Capacity so relocated is to:
  - (i) remain<u>remains</u> on the same terms and conditions as Full Haul Capacity, including as to the calculation of the Capacity Reservation Charges and the Commodity Charges; and
  - (ii) beis treated under this Contract as though it was Full Haul Capacity.





### 14.8 Pressures at New Inlet Point and New Outlet Point

<u>The Operator</u> may in its discretion as a Reasonable <u>Andand</u> Prudent Person specify the range of pressures within which <u>the Shipper may Deliver Gas to the Operator</u> at a New Inlet Point, and within which <u>the Operator may Deliver Gas to the Shipper at a New Outlet Point but in no case may the specified range of pressures be substantially different from the DBNGP operating pressure range at that point.</u>

### 14.9 This Contract amended to reflect relocation

If the Parties reach agreement under clause 14.4 or 14.5, the Requested Relocation and the terms and conditions so agreed are to must be given effect to by an amendment of the Access Request Form in accordance with clause 38.



### 15. **METERING**Metering

### 15.1 Shipper's responsibility

The Shipper must, or, must procure another party to:

- (a) <u>either itself or by procuring another party to do so, at the Shipper's expense,</u> supply, install, Operate and Maintain Inlet Metering Equipment at each Inlet Station in good working order and condition and in accordance with the standard of a Reasonable Andand Prudent Person; and
- (b) ensure that at all times all data required by <u>the</u> Operator from Inlet Metering Equipment is electronically accessible by <u>the</u> Operator.

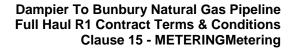
### 15.2 Operator's responsibility

The Operator must:

- (a) ateither itself or by procuring another party to do so, at the Shipper's expense supply, install, Operate and Maintain Outlet Metering Equipment at each Outlet Station in good working order and condition and in accordance with the standard of a Reasonable Andand Prudent Person; and
- (b) calculate and record:
  - (i) the quantity of Gas Delivered to the Operator by the Shipper; and
  - (ii) the quantity of Gas Delivered to the Shipper by the Operator.

# 15.3 Metering uncertainty

- (a) Primary Metering Equipment must be designed, adjusted and Operated so as to achieve:
  - (i) measurement to within a maximum uncertainty of:
    - (A) subject to clause 15.3(b), plus or minus 4<u>0.75</u>% of Actual Mass Flow Rate at a minimum of the 95% confidence level for Metering Equipment with a design maximum flow rate of 5 TJ/d or greater; and
    - (B) plus or minus 2% of Actual Mass Flow Rate at a minimum of the 95% confidence level for Metering Equipment with a design maximum flow rate of less than 5 TJ/d; and
  - (ii) measurement to within a maximum uncertainty of plus or minus one quarter of one percent of Higher Heating Value at a minimum of the 95% confidence level.
- (b) Alternative Metering Equipment referred to in clause 15.4(b) need not comply with clause 15.3(a)(i)(A) if:
  - it is designed, adjusted and Operated so as to achieve measurement to within a maximum uncertainty of plus or minus 2% of Actual Mass Flow Rate at a minimum of the 95% confidence level: and





- (ii) it is not used or likely to be used for more than 72 hours in any Gas Year.
- (b) Subject to clauses 15.3(a) and 15.3(b), each component of Primary Metering Equipment may be designed, adjusted and Operated within limits of uncertainty agreed between the Parties.
- (c) In this clause 15, **95% confidence level** has the meaning given to that expression by ISO 5168.

### 15.4 Primary Metering Equipment

- (a) Primary Metering Equipment must:
  - (i) continuously compute and record:
    - (A) (in the case of Inlet Metering Equipment) the quantity and quality of Gas Delivered by the Shipper to the Operator under this Contract; and
    - (B) (in the case of Outlet Metering Equipment) the quantity of Gas Delivered by the Operator to the Shipper under this Contract; and
    - <u>any information required by the Operator from time to time to assist the Operator to comply with any Law.</u>
  - (ii) be of a standard of manufacture acceptable to <u>the Operator acting</u> as a Reasonable Andand Prudent Person;
  - (iii) comply with AS 2885 and any Australian or international standards required from time to time by the Operator;
  - (iv) subject to clauses 15.4(b) and 15.4(c), encompass newest proven technology;
  - (v) be able in all streams to withstand Gas flows of up to 120% of the design flow;
  - (vi) provide data signals in the form of galvanically isolated 4-20 milliamp current loops or potential free contacts, as appropriate, or in such other form as the Parties as Reasonable Andand Prudent Persons may agree; and
  - (vii) include facilities to enable electronic data collection by <u>the</u> Operator's Electronic Data Collection System.
- (b) Primary Metering Equipment with a design maximum flow rate of 5 TJ/d or more must include:
  - (i) alternative Metering Equipment capable of measuring Gas quantity and (for Inlet Metering Equipment) Gas quality;
  - (ii) a means for detecting a fault in Duty Equipment which is likely to materially affect the accuracy of any measurements produced by the Duty Equipment, and a means in the event of such a fault for automatically switching metering from the faulty Duty Equipment to the alternative Metering Equipment referred to in clause 15.4(b)(i); and



# Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 15 - METERINGMetering

- (iii) a means for manually switching metering from Duty Equipment to the alternative Metering Equipment referred to in clause 15.4(b)(i).
- (c) Inlet Metering Equipment must provide digital signals associated with valve or other equipment status, and must include components for signalling the following primary measurements and Derived Variables associated with Gas quality and quantity:
  - (i) delivery and metering temperature;
  - (ii) delivery and metering pressure;
  - (iii) instantaneous energy flow rate in TJ/d;
  - (iv) instantaneous mass flow reate in Tonnes per day
  - (v) totalised energy flow in GJ;
  - (vi) totalised mass flow in Tonnes;
  - (vii) Relative Density:
  - (viii) Higher Heating Value in megajoules per cubic metre <u>and</u> megajoules per kilogram;
  - (ix) Wobbe Index;
  - (x) nitrogen content in mole percent;
  - (xi) carbon dioxide content in mole percent;
  - (xii) hydrocarbon content in mole percent for each of the fractions;
  - (xiii) sulphur content in milligrams per Cubic Metre;
  - (xiv) LPGoxygen content in tonnes per TJ of Gasmole percent;
  - (xv) moisture level in milligrams per Cubic Metre;
  - (xvi) instantaneous hydrocarbon dew point in degrees Celsius; and
  - (xvii) all primary measurements and Derived Variables used in any computation required by clauses 15.4(c)(i) to 15.4(c)(xixvi).
- (d) Unless the Operator and the Shipper as Reasonable Andand Prudent Persons agree to the contrary, Outlet Metering Equipment may utilize utilise Gas quality data from equipment which is not located at the Outlet Station in question (the **Remote Data**), in which case:
  - (i) <u>the Operator may as a Reasonable Andand Prudent Person adopt</u> procedures relating to that <u>utilizationutilisation</u>, including relating to the use of preset Gas quality values when the Remote Data is unavailable for any reason; and
  - (ii) clauses 15.9 and 15.12 apply, with appropriate modifications, to any procedures adopted under clause 15.4(d)(i).
- (e) Outlet Metering Equipment must provide digital signals Associated with valve or other equipment status, and must include components for signalling the



# Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 15 - METERINGMetering

following primary measurements and Derived Variables Associated with Gas quantity:

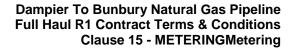
- (i) delivery temperature;
- (ii) delivery pressure;
- (iii) instantaneous energy flow rate in terajoules per day derived using the Higher Heating Value;
- (iv) totalised energy flow in GJ;
- (v) all primary measures and Derived Variables used in any computation required by clauses 15.4(e)(i) to 15.4(e)(iv); and
- (vi) Higher Heating Value in megajoules per cubic metre.
- (f) The Inlet Metering Equipment, and any building erected for such equipment, is the property of <u>the</u> Shipper (or its nominee), and the Outlet Metering Equipment, and any building erected for such equipment, is (subject to clause 15.4(g)) the property of <u>the</u> Operator.
- (g) To the extent that:
  - (i) <u>the Shipper has paid for the Outlet Metering Equipment and any building erected for such equipment;</u>
  - (ii) the Outlet Metering Equipment is detachable from the DBNGP without any damage to or effect on the DBNGP;
  - (iii) no third party has any interest in or title to the Outlet Metering Equipment or the building; and
  - (iv) no third party (including <u>aany other</u> shipper) is deriving any benefit from the Outlet Metering Equipment,

the Outlet Metering Equipment and any building erected for such equipment is, at the end of this Contract, to become the property of <u>the Shipper</u>, and may be detached and removed at the expense and risk of <u>the Shipper</u>.

### 15.5 Provision of information to Shipper

- (a) <u>The Operator must, on request by and at the expense and risk of the Shipper, make available to the Shipper access to:</u>
  - (i) the galvanically isolated analogue or digital data signals in a form agreed by the Parties from any Outlet Metering Equipment at the Outlet Station Associated with the Outlet Point at which the Shipper has Contracted Capacity; and
  - (ii) any other form of metering data requested by <a href="the-shipper-from-time">the-shipper from time to time and consented to by <a href="the-shipper-from-time-to-

but only insofar as that data relates solely to the Shipper.



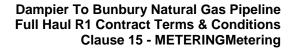


- (b) The Operator takes no responsibility for the accuracy of any data obtained by the Shipper under clause 15.5(d)(i) and is not liable for any Direct Damage or Indirect Damage suffered by the Shipper as a result of any reliance placed by the Shipper on any data obtained by the Shipper under clause 15.5(d)(i).
- (c) In complying with clause 15.5(a), <u>the Operator must allow the Shipper access</u> to unverified delivery data signals insofar as is relevant to the information referred to in clause 15.5(a).
- (d) <u>The Operator must make available to the Shipper via the CRS or a similar communications system:</u>
  - (i) within one hour after each Gas Hour, the unverified hourly quantities of Gas Received by the Shipper at each outlet pointOutlet Point during that Gas Hour;
  - (ii) within 3 hours after the end of each Gas Day, the unverified quantities of Gas in that Gas Day Delivered by <a href="mailto:the-shipper">the-Shipper</a> to each <a href="mailto:inlet point">inlet point</a> and Delivered by <a href="mailto:the-shipper">the-Operator to <a href="mailto:the-shipper">the-Shipper</a> at each <a href="mailto:outlet point">outlet point</a> excluding all Physical Gate Points; and
  - (iii) within three Working Days after the end of the Gas Month, the verified quantities of Gas Delivered by <a href="mailto:the-shipper">the</a> Shipper at each inlet point</a> <a href="mailto:point\_loler Point">point\_loler Point</a> and each outlet point</a> <a href="mailto:point\_outlet Point">point\_loler Point</a> for each Gas Day during the previous Gas Month.
- (e) Operator must make available to Shipper via the CRS or a similar communications system as soon as practicable after receiving from Networks the information referred to in clause 33(1) of the Operating Arrangement, but in any event no later than 72 hours after the end of the Gas Day to which the information relates, the verified quantity of Gas:
  - (i) Received by Shipper in a Gas Day at each Physical Gate Point;
  - (ii) Received by Shipper in a Gas Day aggregated across all outlet points including all Physical Gate Points.
- (f) Operator must make available to Shipper via the CRS or a similar communications system within 5 hours after the end of a Gas Day the verified quantity of Gas:
  - (i) Received by Shipper in that Gas Day at each Physical Gate Point; and
  - (ii) Received by Shipper aggregated across all outlet points including all Physical Gate Points.
- (g) Clauses 15.5(e) and (f) only apply for as long as Shipper is a Distribution Networks Shipper.

### collectively Metering Information.

## 15.6 Changes to requirements for Metering Equipment

<u>The Operator</u> may by notice in writing require <u>the Shipper</u> to modify, or to allow and arrange for <u>the Operator</u> to modify, existing Metering Equipment to comply with requirements or standards specified by <u>the Operator</u> after that equipment was installed,





and if the modification is necessary to comply with safety Laws of general application, or to comply with the standard required by an amendment to this Contract implementing such Laws, the modification is tomust be made at the Shipper's expense, and otherwise the modification is tomust be made at the Operator's expense.

### 15.7 Approval of Inlet Metering Equipment

- (a) The Shipper must obtain, or must procure that a third party obtains:
  - (i) prior to commencing the construction, installation or modification of any Inlet Metering Equipment or any component thereof; and also
  - (ii) prior to the commissioning of any newly constructed, installed or modified Inlet Metering Equipment or any component thereof,

the Operator's written approval (which may not be unreasonably withheld) of, or of any amendment to, the design, location and construction of, and the proposed Operating and Maintenance procedures in relation to, that equipment or component.

- (b) For the purposes of clause 15.7(a), <u>the Shipper must give to the Operator not less than one month's notice of the anticipated date of commencement of the relevant construction, installation or modification.</u>
- (c) <u>The Operator must, after receipt of a valid notice of the anticipated date of commencement, use all reasonable endeavours, before that anticipated date, to consider and to give notice to <u>the Shipper of the Operator's approval of or refusal to approve the Inlet Metering Equipment.</u></u>
- (d) Without limiting the generality of clause 37, <u>the Shipper must</u>, for the purposes of clause 15.7(a), prior to and during the construction, installation, modification or commissioning of any Inlet Metering Equipment or any component thereof, afford all reasonable rights of entry and inspection (including all relevant data, drawings and components) to <u>the Operator</u> and its agents at <u>the Operator</u>'s expense and risk.

### 15.8 Check Metering Equipment

- (a) The Shipper may at its own expense at an Outlet Station, and the Operator may at its own expense at an Inlet Station, supply, install, Maintain and Operate Check Metering Equipment for the purpose of monitoring the accuracy of the Primary Metering Equipment.
- (b) Check Metering Equipment (and any associated pressure or quantity control regulators or other equipment) must be located downstream of, and must not interfere with the operation of, the Primary Metering Equipment.
- (c) Check Metering Equipment at the Outlet Station is <u>the Shipper's property</u>, and Check Metering Equipment at the Inlet Station is <u>the Operator's property</u>.
- (d) AnyThe expenses of any Verification of the accuracy of Check Metering Equipment is tomust be at the expense of borne by the Party owning that equipment.
- (e) Subject to clause 15.14(d)(i), data from Check Metering Equipment may not be used for billing purposes.



# 15.9 Preservation of accuracy

- (a) All Primary Metering Equipment is tomust be installed in a manner which permits an Accurate measurement of the quantity, and (for Inlet Metering Equipment), the quality, of Gas Delivered, and a ready Verification of the Accuracy of measurement.
- (b) Each Party must, in the installation, Maintenance and Operation of any Metering Equipment, exercise the care of a Reasonable Andand Prudent Person to prevent any inaccuracy in the measurement of the quantity of Gas Delivered under this Contract.

### 15.10 Presumptions of accuracy

- (a) Subject to clause 15.13, a measurement of the quantity or quality of Gas from any Primary Metering Equipment is to be presumed to be correct.
- (b) If any 2 consecutive Verifications show any Metering Equipment to be operating within the Prescribed Limits of Uncertainty, the Metering Equipment is to be presumed to have been operating within the Prescribed Limits of Uncertainty throughout the intervening period.
- (c) The presumptions in clauses 15.10(a) and 15.10(b) are to apply until the contrary is shown.
- (d) If either or both of the presumptions in clauses 15.10(a) and 15.10(b) is, or are, shown to be incorrect in respect of any period or periods, clauses 15.13 and 15.14 apply, with appropriate modifications, to measurements taken by the Metering Equipment during the period or periods.

### 15.11 Verification of Primary Metering Equipment

- (a) The Operator:
  - (i) must<sub>±</sub> at least once each month (or other period agreed between the parties) during the duration of this Contract; and
  - (ii) may at such greater frequency or on any occasion that either Party may request,

verify the accuracy of any Primary Metering Equipment in accordance with a procedure described in clause 15.11(b).

- (b) The Verification procedure is to consists of:
  - (i) a comparison between simultaneous independent measurements of Gas flows;
  - (ii) the physical substitution of the Primary Metering Equipment to be Verified with similar Metering Equipment having a demonstrated accuracy within the Prescribed Limits of Uncertainty; or
  - (iii) any Metering Equipment testing procedure complying with applicable Australian or International standards that the Parties agree in writing to use.
- (c) Each Party may have representatives present at the time of any Verification of the Accuracy of any Primary Metering Equipment (unless the number of persons present must be restricted for safety or logistical reasons, in which



case the Parties are to agree on which representatives <u>are tomust</u> be present), and <u>the Operator must give the Shipper sufficient notice of an intended Verification to enable the Shipper's representative to be present.</u>

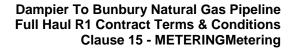
- (d) The results of any Verification are binding on both Parties unless within 7 Working Days after a Verification either Party gives notice to the other Party that it disputes the conduct of the Verification, in which case:
  - (i) the provisions of clause 24 apply; and
  - (ii) any reference in this clause 15.11 to accuracy figures produced by a Verification means the accuracy figures finally determined for that Verification under a dispute resolution process adopted in accordance with clause 24.
- (e) Subject to clause 15.11(f), the Shipper must bear the expense of any Verification under clause 15.11(a) is to be made at Shipper's expense, provided that the Operator is tomust bear the cost of attendance of the Operator's representatives.
- (f) If a Verification requested by <u>the Operator under clause 15.11(a)(ii)</u> reveals that the accuracy of the Primary Metering Equipment is within the Prescribed Limits of Uncertainty, the <u>Operator must bear the expense of the Verification is to be at Operator's expense</u> and <u>Operator must also</u> pay to <u>the Shipper the Shipper's reasonable expenses of that Verification, in accordance with clause 20.</u>

### 15.12 Adjustment or replacement of defective equipment

- (a) Subject to clause 15.12(b), if <u>at any time</u> any component of Primary Metering Equipment is <u>at any time</u> found to be defective or otherwise out of service or operating outside the Prescribed Limits of Uncertainty, <u>the</u> Operator must <u>(if the Primary Metering Equipment is at an Outlet Station)</u> and <u>the Shipper must (if the Primary Metering Equipment is at an Inlet Station)</u>, (in either case at <u>the Shipper's expense)</u>, forthwith either:
  - (i) adjust it to read accurately measure within the Prescribed Limits of Uncertainty; or
  - (ii) if such adjustment is not possible, replace it with a serviceable component.
- (b) If <u>at any time</u> Primary Metering Equipment with a design maximum flow rate of less than 5 TJ/d is <u>at any time</u> found to be <u>for any reason</u> operating outside the Prescribed Limits of Uncertainty, <u>for any reason</u>, <u>the</u> Operator must <u>(if the Primary Metering Equipment is</u> at an Outlet Station) and <u>the Shipper must <u>(if the Primary Metering Equipment is</u> at an Inlet Station), <u>(in either case at the Shipper's expense) within 48 hours</u>, cause the Primary Metering Equipment to Operate within the Prescribed Limits of Uncertainty <u>within 48 hours</u>.</u>

# 15.13 Inaccurate equipment

- (a) If any Verification reveals that any Primary Metering Equipment is operating outside the Prescribed Limits of Uncertainty but is measuring the quantity of Gas with an inaccuracy of less than or equal to:
  - (i) plus or minus 1.5% for Metering Equipment with a design flow of 5 TJ/d or greater; and





(ii) plus or minus 3% for Metering Equipment with a design flow of less than 5 TJ/d.

then the measurements from that Primary Metering Equipment shall be are taken to be correct.

- (b) If any Verification reveals that any Primary Metering Equipment is measuring the quantity of Gas with an inaccuracy of greater than the relevant limit prescribed by clause 15.13(a)(i): 15.13(a)(i) or 15.13(a)(ii) or agreed under clause 15.3(eb), then (unless the Parties agree otherwise) all measurements affected or potentially affected by that inaccuracy are tomust be determined in accordance with clause 15.14.
- (c) If the Parties have agreed under clause 15.3(eb) to limits of uncertainty for a component or components of Primary Metering Equipment, then the Parties may agree to limits which are to apply in substitution for the limits prescribed in clauses 15.13(a)(i): 15.13(a)(i) or 15.13(a)(ii) for that Primary Metering Equipment, and clause 15.13(a) has effect accordingly.

### 15.14 Correction of measurements

- (a) All measurements made prior to the Previous Verification shall beare taken to be correct.
- (b) The period between the Previous Verification and the Current Verification is tomust be divided into an earlier period and a later period, being:
  - (i) if the time at which the Primary Metering Equipment became Inaccurate can be established, respectively the period before and the period after that time; or
  - (ii) if the time at which the Primary Metering Equipment became Inaccurate cannot be established, 2 equal periods.
- (c) The measurements produced by the Primary Metering Equipment for the earlier period shallmust be taken to be correct.
- (d) The measurements for the later period are tomust be estimated:
  - if Check Metering Equipment is installed and is established to the reasonable satisfaction of both Parties to have been operating during the later period within the Prescribed Limits of Uncertainty, by using the measurements recorded by that Check Metering Equipment;
  - (ii) if clause 15.14(d)(i) does not apply and if the percentage of error in the measurements is ascertainable to the reasonable satisfaction of both Parties by calibration test or mathematical calculation, by calculating a correction for that percentage error; or
  - (iii) in any other circumstance, by reference to measurements made under similar conditions when the Primary Metering Equipment was registering accurately.
- (e) Following the correction of any measurements in accordance with this clause 15.14, the Parties will determine the relevant overpayment or underpayment that has resulted under this Contract from the measurement error and the appropriate Party shallmust make an adjusting payment to the other in accordance with clause 21.6.



### 15.15 Metering records

- (a) Any record produced by Primary Metering Equipment:
  - (i) in paper form is to must be retained for 2 years after the date of production; and
  - (ii) in electronic form is to<u>must</u> be retained for 5 years after the date of production,

by and at the expense of the Party owning the equipment which produces the record.

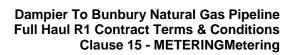
- (b) The records and other information produced by, and any calculations and other information derived from, any Primary Metering Equipment or Check Metering Equipment remain the property of the Party owning that equipment.
- (c) Each Party must use reasonable endeavours to, within 20 Working Days after receipt of a request from the other Party, submit to the other Party its records and other information produced by its Primary Metering Equipment which solely relate to the other Party, for inspection and verification by that other Party and the other Party may make and return any copies of those records and other information and must return the originals within 10 Working Days of their receipt.

## 15.16 Unused outlet points Outlet Points

- (a) If:
  - (i) <u>the Shipper has no Contracted Capacity at an outlet point Outlet Point;</u> and
  - (ii) such point has not been used, or is, in <a href="the-Operator">the-Operator</a>'s opinion (acting reasonably and after consulting with <a href="the-Operator">the-Operator</a>'s opinion (acting reasonably and after consulting with <a href="the-Operator">the-Operator's opinion (acting reasonably and after consulting with <a href="the-Operator">the-Operator's opinion (acting reasonably and after consulting with <a href="the-Operator">the-Operator's opinion (acting reasonably and after consulting with <a href="the-Operator">the-Operator's opinion (acting reasonably and after consulting with <a href="the-Operator">the-Operator's opinion (acting reasonably and after consulting with <a href="the-Operator">the-Operator's opinion (acting reasonably and after consulting with <a href="the-Operator">the-Operator</a>'s opinion (acting reasonably and after consulting with <a href="the-Operator">the-Operator</a>'s opinion (acting reasonably and after consulting with <a href="the-Operator">the-Operator</a>'s opinion (acting reasonably and after consulting with <a href="the-Operator">the-Operator</a>'s opinion (acting reasonably and after consulting with <a href="the-Operator">the-Operator</a>'s opinion (acting reasonably and after consulting with <a href="the-Operator">the-Operator</a>'s opinion (acting reasonably and after consulting with <a href="the-Operator">the-Operator</a>'s opinion (acting reasonably acting reasonably and after consulting with <a href="the-Operator">the-Operator</a>'s opinion (acting reasonably acting re

then the Operator may, at the cost of the Operator, decommission, remove and deal with or dispose of as it sees fit (including selling for its own benefit) any part or the whole of that outlet point Outlet Point and any Associated Outlet Station. Upon the commencement of such decommissioning, such outlet point shall Outlet Point, subject to clause 15.16(b), ceaseceases to be an outlet point Outlet Point for the purpose of this Contract.

- (b) If requested by the Shipper, the Shipper and the Operator will discuss in good faith deferring the decommissioning of the outlet point Outlet Point and any Associated Outlet Station on the basis that the Shipper will pay ongoing maintenance charges incurred by the Operator in maintaining the outlet point Outlet Point and any Associated Outlet Station.
- (c) If subsequent to the commencement of such decommissioning, <a href="mailto:the-subset">the-subset</a> Shipper wishes to use such point as an <a href="mailto:outlet-point">outlet point</a> under this Contract, <a href="mailto:the-subset">the-subset</a> Shipper must give at least 10 months written notice to <a href="mailto:the-subset">the-subset</a> Operator and must fully indemnify <a href="mailto:the-subset">the-subset</a> Operator for all costs, losses, liabilities and expenses incurred by <a href="mailto:the-subset">the-subset</a> Operator in respect of such recommissioning of the point as an <a href="mailto:outlet-point-subset">outlet point</a> point and in respect of recommissioning any Associated Outlet Station.





(d) An Outlet Point recommissioned in accordance with clause 15.16(c) is subject to Charges in accordance with clause 6.12.



# 16. NOT USEDNot Used



### 17. **CURTAILMENT**Curtailment

#### 17.1 Operator's obligations and Curtailment principles

- (a) The Operator must use its best endeavours to minimise the magnitude and expected duration of any Curtailment of the  $\mp R1$  Service.
- (b) A Curtailment may affect one or more inlet points Inlet Points or outlet points Outlet Points on the DBNGP. Unless the Curtailment affects only one inlet point or outlet point or Outlet Point, it is a System Curtailment.
- (c) Curtailment occurs in two stages, although in some instances <u>the</u> Operator will not need to move to the second stage:
  - (i) Stage 1: the Operator identifies that a Curtailment is necessary and, acting as a Reasonable Andand Prudent Person, determines how much Capacity needs to be Curtailed. In most circumstances this will be a System Curtailment.
  - (ii) Stage 2: If it is necessary (at the same time or subsequently) for the Operator to resolve incompatible demands by shippers for the use of a single inlet point or outlet point, Inlet Point or Outlet Point, the Operator undertakes a Point Specific Curtailment at each such point.
- (d) In a Curtailment, whether System Curtailment or in any Point Specific Curtailments, Contracted Capacity at a particular point (*incumbent capacity*) has priority for the use of that point above capacity relocated from another point for that Gas Day, unless the incumbent capacity has been fully curtailed by virtue of the application of the Curtailment Plan in a System Curtailment which affects a Curtailment Area greater than a Point Specific Curtailment.

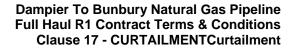
#### 17.2 Curtailment Generally

<u>The Operator may Curtail the provision of the Capacity Services to the Shipper from time to time to the extent the Operator as a Reasonable Andand Prudent Person believes it is necessary to Curtail:</u>

- (a) if there is an event of Force Majeure where <u>the</u> Operator is the Affected Party;
- (b) whenever it needs to undertake any Major Works; and
- (c) by reason of, or in response to a reduction in Gas Transmission Capacity caused by the default, negligence, breach of contractual term or other misconduct of Shipper;
- (d) for any Planned Maintenance; and
- (c) in circumstances where <u>the Operator</u>, acting as a Reasonable <u>Andand</u>
  Prudent Person, determines for any other reason (including to avoid or lessen a threat of danger to the life, health or property of any person or to preserve the operational integrity of the DBNGP) that a Curtailment is desirable.

# 17.3 Curtailment without liability

(a) Subject to clause 17.3(b), <u>the Operator is to be-liable to the Shipper only</u> for Direct Damage caused by or arising out of a Curtailment or interruption of <u>the</u>





Shipper's <u>FR1</u> Service. For the avoidance of doubt, the giving of a Curtailment Notice constitutes a Curtailment and the provision by <u>the</u> Operator of Capacity equal to <u>the</u> Shipper's reduced Contracted Capacity under clause 17.7(<u>de</u>) during the currency of the Curtailment Notice which gave effect to that reduced Contracted Capacity is a Curtailment for the purposes of this clause 17.3(a).

- (b) <u>The Operator has no liability to the Shipper whatsoever under clause 17.3(a) or otherwise, except as may be provided in clause 17.4, for a Curtailment under clause 17.2 in any of the following circumstances:</u>
  - (i) where the duration of the Curtailment together with the aggregate duration of all other Curtailments of the <u>TR</u>1 Service during the Gas Year does not cause the <u>TR</u>1 Permissible Curtailment Limit to be exceeded:
  - (ii) where the Curtailment is in accordance with any of clauses 17.2(a), (b) or (e17.2(b); or
  - (iii) where clause 17.5 provides that the circumstance is not to be regarded as a Curtailment.

This clause 17.3(b) does not derogate from or limit in any way <u>the Operator's</u> obligation under clause 17.1(a).

- (c) The <u>TR1</u> Permissible Curtailment Limit means 2% of the time in the relevant Gas Year during the Period of Supply (regardless of the amount of Capacity Curtailed during the period of the Curtailment) except that:
  - (i) a Curtailment in circumstances set out in clauses clause 17.2(a), (b) or (c17.2(b);
  - (ii) a circumstance where clause 17.5 provides that the circumstance is not to be regarded as a Curtailment; and
  - (iii) a Curtailment pursuant to a Multi-shipper Agreement to the extent that such capacity would not have been Curtailed if the Curtailment Plan had been applied,

is not to be aggregated with other Curtailments in determining whether the accumulated duration of Curtailments in a Gas Year cause the  $\mp \underline{R}1$  Permissible Curtailment Limit to be exceeded.

#### 17.4 Refund of Capacity Reservation Charge

To the extent that the Shipper's TR1 Service is Curtailed for any reason other than:

- (a) an event of Force Majeure where the Shipper is the Affected Party; or
- (b) a reason described in clause 17.2(c); or
- (b) a circumstance where clause 17.5 provides that the circumstance is not to be regarded as a Curtailment,

<u>the</u> Shipper is entitled to a refund of the Capacity Reservation Charge in respect of the Capacity Curtailed for the relevant period.



#### 17.5 Operator's rights to refuse to Receive or Deliver Gas

Subject to clauses 5.5 and 5.9, where Where the Operator exercises its rights to refuse to Receive Gas or Deliver Gas under or in accordance with:

- (a) clause 5.3 (the Operator may refuse to Receive Gas);
- (b) clause 5.75.6 (the Operator may refuse to Deliver Gas),

such act is not to be regarded as a Curtailment for the purposes of clauses 17.3(b)(iii), 17.3(c)(ii) and 17.4(eb).

#### 17.6 Curtailment Notice

- (a) <u>The Operator must give the Shipper a notice</u> (*Curtailment Notice*) setting out the matters referred to in clause 17.7(a) and the expected duration of an impending Curtailment and otherwise complying with this clause 17.
- (b) (i) Where the reason for the Curtailment is Major Works, the Operator must give the Shipper:
  - (A) an initial notice (*Initial Notice*) at least 60 days in advance of the starting time of the Curtailment; and
  - (B) a Curtailment Notice no later than one Gas Day before the Gas Day on which the Curtailment commences.
  - (ii) In any case other than one described in clause 17.6(b)(i):
    - <u>subject to clause 17.6(b)(ii)(B), the Operator must give</u>
      <u>the Shipper a Curtailment Notice at least one hour in</u>
      <u>advance of the starting time of the Curtailment; and</u>
    - (B) Operator must use reasonable endeavours to give Shipper a Curtailment Notice a reasonable period in advance of the starting time of the Curtailment, and in any event (other than when due towhere as a result of Force Majeure or by reason of an emergency it is unable to do so) must give thenot reasonably possible to give a Curtailment Notice at least one hour beforein advance of the starting time of the Curtailment, the Operator must give the Shipper a Curtailment Notice as soon as it is practicable to do so, whether that is before or after the starting time of the Curtailment.—In the case of Major Works, reasonable notice is 90 days notice.
- (c) <u>The Operator willmust</u> send a copy of the Curtailment Notice in accordance with clause 29.1(a) (Notices) and willmust also endeavour to telephone the Shipper to advise that the Curtailment Notice has been or will be provided.
- (d) <u>The Operator is not responsible for informing required to inform</u> all affected Producers and downstream entities that relate to <u>the Shipper of the notification of the Curtailment or the Curtailment Notice.</u>
- (e) A Curtailment Notice under clause 17.6(a) must give the reasons for the Curtailment.





(e) <u>The Operator willmust</u>, on a reasonable request by the Shipper and within a reasonable time after the request is made, provide such information as is reasonably required to explain the issue of a Curtailment Notice.

#### 17.7 Content of a Curtailment Notice and Initial Notice

- (a) A Curtailment Notice must specify the following details:
  - (i) the reasons for the Curtailment;
  - (ii) the starting time of the Curtailment (which must not be any time before the Gas Day on which the Curtailment Notice is given), including the Gas Day or Gas Days to which the Curtailment Notice applies; and
  - (iii) the portion of <u>the Shipper's Contracted Capacity</u> that is to be Curtailed.
- (b) An Initial Notice must specify the Operator's estimate of:
  - (i) the starting time of the Curtailment; and
  - (ii) the portion of the Shipper's Contracted Capacity that is to be Curtailed.
- (c) A Curtailment Notice:
  - (i) takes effect from the time specified in the Curtailment Notice;
  - (ii) may apply to the Gas Day on which the Curtailment Notice is issued even if, in order to comply with a Curtailment Notice, <u>the</u> Shipper must use best endeavours to, and to procure persons to whom <u>the</u> Shipper supplies Gas to, cease taking delivery of any Gas upon receipt of the Curtailment Notice in accordance with clause 17.8(a);
  - (iii) may be expressed to continue indefinitely or for a specified time;
  - (iv) may revoke, substitute or amend a previous Curtailment Notice:
  - (v) must not require the Shipper to reduce its Receipt of Gas for the Gas Day as a whole to a level less than the Shipper has already actually Received for the Gas Day before the Curtailment Notice takes effect (that is, the Curtailment Notice must not be impossible to comply with); and
  - (vi) does not retrospectively affect the Shipper's compliance with Hourly Peaking Limits or Outer Hourly Peaking Limits prior to the time the Curtailment Notice is issued on the Gas Day (for which purposes the Shipper's compliance with those limits for an hour is tomust be determined having regard to the Shipper's Contracted Capacity at the commencement of the hour).
- (d) <u>The Operator may at any time, whether or not it has specified in a Curtailment Notice an end time for a Curtailment, give notice to the Shipper (in accordance with clause 29) wholly or partly terminating a Curtailment either immediately or from any time in the future.</u>



- (e) A Curtailment Notice constitutes a variation of this Contract while the Curtailment Notice is in force reducing the Shipper's Contracted Capacity to the extent, and in accordance with the apportionment (if any), specified in the notice, except for the purposes of calculating the Charges payable by the Shipper under clause 20 and for ascertaining whether the Shipper has been Curtailed under this clause 17, for which purposes the Shipper's Contracted Capacity remains as specified in the Access Request Form. Further, in respect of a particular shipper when calculating the amount of Total Contracted Capacity (either generally or in respect of a specific Capacity Service, inlet point or outlet pointInlet Point or Outlet Point) the amount shallmust not include any Capacity Curtailed under clause 17.8 either generally or in respect of a specific Capacity Service, inlet point or outlet Point, and the material equivalent to such clause in any of the shipper's contracts for Capacity Service.
- (f) If a Curtailment Notice takes effect before <a href="mailto:the-shipper">the Shipper</a>'s next Nomination or Renomination under clause 8, <a href="mailto:the-shipper">the Shipper</a>'s Daily Nominations are <a href="mailto:the-shipper">to be taken to be reduced (if a reduction is required) to the same amount of Capacity Service as <a href="mailto:the-shipper">the Shipper</a> is to have available under the Curtailment Notice given in respect of <a href="mailto:the-shipper">the Shipper</a>'s Contracted Capacity.
- (g) <u>The Shipper may not:</u>
  - (i) Nominate or Renominate under clause 8 for Contracted Capacity; or
  - (ii) Deliver Gas to or Receive Gas from the Operator,

in excess of whichever is the lower of:

- (iii) its reduced Contracted Capacity because of clause 17.7(ef); or
- (iv) the quantity specified in a Curtailment Notice as the maximum quantity which the Operator will Receive from, or Deliver to, the Shipper.

#### 17.8 Compliance with Curtailment Notice

- (a) Where the Curtailment is a Point Specific Curtailment, <u>the Shipper must</u> use its best endeavours to <u>comply immediately</u>, and must as soon as practicable and in any event <u>must</u> no later than one hour after receipt of the notice, comply, or procure compliance, with the requirements of a Curtailment Notice by:
  - (i) not Delivering any Gas at the inlet points Inlet Points; or
  - (ii) not Receiving any Gas delivered to <u>the Shipper at the outlet pointsOutlet Points</u>,

in excess of the quantity specified for that inlet point Inlet Point or outlet point Outlet Point, as the case may be, in the Curtailment Notice.

- (b) Where the Curtailment is not a Point Specific Curtailment, <u>the Shipper must</u> comply, or procure compliance, with the requirements of the Curtailment Notice <u>in accordance with its terms</u>.
- (c) If <u>the</u> Shipper does not comply with the requirements of the Curtailment Notice in accordance with clause 17.8(a), <u>the</u> Operator may take action to the extent necessary to give effect to the requirements set out in the Curtailment



Notice, including refusing to Receive Gas from the Shipper at an inlet point or refusing to Deliver Gas to the Shipper at an outlet point Outlet Point.

- (d) If <u>the</u> Operator refuses to Receive or Deliver Gas under clause 17.8(c) in order to give effect to the requirements set out in a Curtailment Notice and <u>the</u> Operator incidentally refuses to Receive or Deliver Gas in excess of the requirements of the Curtailment Notice (*Excess Curtailment*), to the extent that such Excess Curtailment occurred despite <u>the</u> Operator acting as a Reasonable <u>Andand</u> Prudent Person in attempting to avoid or minimise (as the case may be) such Excess Curtailment is not to be regarded as a Curtailment under this Contract.
- (e) If the Curtailment is a Point Specific Curtailment and <a href="mailto:the-color: blue;">the Curtailment is a Point Specific Curtailment and <a href="mailto:the-color: blue;">the Color: blue;</a> Operator at an <a href="mailto:outlet point">outlet point</a> in excess of the quantity specified in the Curtailment Notice for that <a href="mailto:inlet point or outlet point or outlet point">inlet point or Outlet point or Outlet point</a> (as the case may be), then <a href="mailto:the-shipper shallmust">the Shipper shallmust pay the Operator an Unavailable Overrun Charge under clause 11 at the Unavailable Overrun Rate in respect of each GJ of Gas which <a href="mailto:the-shipper">the Shipper's actual receipts or deliveries (or both) vary from those specified in the Curtailment Notice.</a>
- (f) Other than when due to Force Majeure or by reason of an emergency it is unable to do so, Operator is to give effect to a Curtailment by a Curtailment Notice instead of, or prior to, doing so physically under clause 17.8(c).
- (f) <u>The Shipper is not liable to pay the Unavailable Overrun Charge under clause 17.8(e) in respect of a Gas Day in respect of which the Operator:</u>
  - (i) fails to provide <u>the Shipper</u> with the information required in accordance with clause 15.5(d)(i); or
  - (ii) provides <u>the Shipper with information under clause 15.5(d)(i)</u> which is materially inaccurate.

# 17.9 Priority of Curtailment

- (a) Any Curtailment of the Shipper's Total Contracted Capacity or Capacity under a Spot Transaction is tomust be conducted in accordance with the Curtailment Plan. In applying the Curtailment Plan in a Point Specific Curtailment or System Curtailment, a Type of Capacity Service will only be Curtailed once all Types of Capacity Services listed below it in that column in the Curtailment Plan have been reduced to zero.
- (b) The general principle in clause 17.9(a) is subject to the following:
  - (i) Any Laws regulating the priority of Capacity Services (which for the purposes of this clause-shall include capacity under a Spot Transaction) on the DBNGP.
  - (ii) Where the Curtailment is a Point Specific Curtailment, the Curtailment Plan will be subject to any Multi-shipper Agreement relating to that inlet point or outlet point Outlet Point.
  - (iii) Any Point Specific Curtailment of the Aggregated T1 Service is not a Curtailment for the purposes of this Contract and is not to be taken into account in determining whether Curtailments





aggregated for a Gas Year cause the T1 Permissible Curtailment Limit to be exceeded to the extent that Shipper is entitled to give a Renomination Notice in respect of either of the following:

- (A) (subject to clause 17.9(b)(iii)(B)) one or more inlet points or outlet points (as the case may be) where Shipper has unutilised Contracted Capacity for the T1 Service at that point, in which case the Curtailment will not be taken into account in respect of an amount of capacity up to Shipper's unutilised Contracted Capacity for the T1 Service at that or those inlet points or outlet points (as the case may be);
- (B) one or more inlet points or outlet points (which may be points referred to in clause 17.9(b)(iii)(A) above) where Shipper can otherwise utilise Capacity.
- (iii) If and to the extent that, because of the default, negligence, breach of contractual term, or other conduct of a shipper (in this clause 17.9(b)(iv) callediii) the **defaulting shipper**):
  - (A) a reduction in Gas Transmission Capacity is caused that makes necessary any Curtailment of the use of Gas Transmission Capacity by any shipper; or
  - (B) <u>the Operator</u> is entitled to refuse to Receive Gas from or Deliver Gas to any shipper (or, if applicable, to Curtail the use of Gas Transmission Capacity by any shipper),

the Operator must, to the extent that it is entitled to do so, wholly refuse to Receive Gas from or Deliver Gas to the defaulting shipper and must reduce the defaulting shipper's use of Gas Transmission Capacity of any kind (but only to the extent necessary to correct the default of the shipper) before it reduces any shippers' (other than the defaulting shipper's) use of Gas Transmission Capacity of any kind, and the Operator is not liable to the defaulting shipper for any Direct Damage or Indirect Damage (whatsoever) arising from that Curtailment or refusal.

- (iv) To the extent that:
  - (A) the use of Gas Transmission Capacity by a particular shipper would, but for this clause 17.9(b)(viv), be included in an apportionment of a Curtailment; and
  - (B) in the view of the Operator (acting fairly and reasonably) the inclusion of that Gas Transmission Capacity would because of the location of the particular shipper's inlet point or inlet points or outlet point or Outlet Points in relation to the circumstances which gave rise to the need to Curtail be unlikely to wholly or partially reduce the need to Curtail any other shipper's use of Gas Transmission Capacity,

the Operator may exclude that Gas Transmission Capacity from the apportionment of Curtailments (despite what would otherwise





be <u>the Operator's</u> obligation to include that Gas in the apportionment).

- (vi) In a System Curtailment, where the Curtailment Plan is being applied to a Curtailment Area greater than a Point Specific Curtailment, Shipper's:
  - (A) Aggregated T1 Service which derives from Contracted Capacity for T1 Services at the Outlet Points located within the Curtailment Area shall, when the Curtailment Plan is applied to that Curtailment Area:
    - (1) not be included in the Aggregated T1
      Service: and
    - (2) be included in the T1 Service,

available to Shipper in the Curtailment Area; and

- (B) Aggregated T1 Service which derives from Contracted Capacity for T1 Services at any Outlet Point located outside the Curtailment Area shall, when the Curtailment Plan is applied to that Curtailment Area:
  - (1) be included in the Aggregated T1 Service;
  - (2) not be included in the T1 Service,

available to Shipper in the Curtailment Area.

However, nothing in this clause 17.9(b)(vi) affects a Stage 2 Curtailment of any incumbent Contracted Capacity remaining after a Stage 1 Curtailment.

- (v) Despite any provision of the Curtailment Plan or any contract, the Delivery of Gas to <u>the Shipper</u> is at all times subject to <u>the</u> Operator's absolute right to utilise part of the DBNGP's capability to transport Gas which is required by <u>the</u> Operator for operational purposes in relation to the DBNGP.
- (vi) The Operator must enforce itsany rights it may have under the Alcoa Exempt Contract in relation to allocating to, and Delivering to, Alcoa no more than Alcoa's Exempt Delivery Entitlement during a Curtailment, including taking the full benefit of any force majeure provisions of the Alcoa Exempt Contract when and to the extent that it is entitled to do so.
- (vii) Nothing in this clause 17 limits or affects <u>the Operator's right</u> to refuse to Receive or Deliver Gas under clauses 5.3 or <del>5.7.</del>5.6.
- (x) This clause 17 is subject to any contrary agreement reached between Shipper and other shippers as to the manner of treating Curtailments between them.
- (c) Subject to clauses clause 17.9(c)(ii) and (iii) below, if when applying the Curtailment Plan there is insufficient relevant available capacity to allow all shippers their full Contracted



# Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 17 - CURTAILMENTCurtailment

Capacity in respect of a Type of Capacity Service for that Gas Day, then the capacity available for the Type of Capacity Service to each such shipper during a particular Gas Day during a Curtailment will (unless relevant shippers agree to the contrary) be calculated, from time to time by the Operator acting in good faith, on the basis of the following:

Available Capacity x

 $\frac{A}{B}$ 

where:

# Available Capacity

- the total amount of relevant capacity which the Operator (acting in good faith) deems to be available during the particular Gas Day during the Curtailment for the particular Type of Capacity Service;
- the particular shipper's relevant Total Contracted Capacity (prior to any Curtailment) in respect of the particular Type of Capacity Service on that Gas Day (in the case of ∓R1 Service only, less any of the shipper's relevant share of the Distribution Networks' IPQ which is to be transported using that ∓R1 Service on that Gas Day); and
- the aggregate of relevant Total Contracted
   Capacity (prior to any Curtailment) in respect of
   the particular Type of Capacity Service across all
   shippers on that Gas Day (in the case of ∓R1
   Service only, less the aggregate of the shippers'
   relevant shares of the Distribution Networks' IPQ
   which is to be transported using that ∓R1 Service
   on that Gas Day)
- (ii) If when applying the Curtailment Plan there is insufficient relevant available capacity to allow all shippers their relevant entitlement to a Type of Capacity Service being an Other Reserved Service or an Interruptible Service (other than capacity under a Spot Transactiona Tp Service or a Tx Service), then the capacity available for the shipper for that Type of Capacity Service during the Curtailment will be determined by the Operator acting as a Reasonable Andand Prudent Person.
- (iii) Capacity under Spot Transactions which resulted from Daily Bids must be Curtailed with the lower priced Daily Spot Bid Price being Curtailed before the higher priced Daily Spot Bid Price.



#### 17.10 Apportionment of Shipper's Curtailments

- (a) Subject to clause 17.10(b), if the Shipper has:
  - (i) Daily Nominations for a Capacity Service or otherwise has a right to Deliver Gas at more than one inlet point; Inlet Point, the Operator mustmay, in its discretion acting reasonably, apportion any refusals to Deliver Gas across those inlet points in the manner required by ShipperInlet Points;
  - (ii) Daily Nominations for a Capacity Service or otherwise has a right to Receive Gas at more than one outlet point; Outlet Point, the Operator mustmay, in its discretion acting reasonably, apportion any refusals to Receive Gas across those outlet points in the manner required by ShipperOutlet Points; or
  - (iii) Contracted Capacity or Daily Nominations (or both) at more than one inlet point or outlet point; Inlet Point or Outlet Point the Operator mustmay, in its discretion acting reasonably, apportion any Curtailment of the Shipper's Capacity Service at the inlet points or outlet points across those inlet points or outlet points in the manner required by Shipper, except in the case of Point Specific Curtailments Inlet Points or Outlet Points across those Inlet Points or Outlet Points.
- (b) Operator is not required to make the apportionment referred to in clause 17.10(a) if:
  - (i) acting as a Reasonable And Prudent Person, Operator considers it is not Technically Practicable to do so:
  - (ii) acting as a Reasonable And Prudent Person, Operator considers the circumstances do not reasonably allow Operator to consult with Shipper as to the apportionment or wait for Shipper's response following such consultation; or
  - (iii) Operator has requested Shipper notify Operator of its apportionment, and Shipper has not done so by the end of the relevant Gas Day,

in which case Operator may apportion the refusal across the relevant inlet points or outlet points (as the case may be) in the manner it considers appropriate.

- (b) <u>The Shipper may at any time and from time to time propose to the Operator an apportionment mechanism which will operate as a standing requirement as to how the Operator is to must apportion any:</u>
  - (i) refusals to Receive Gas across inlet points Inlet Points;
  - (ii) refusals to Deliver Gas across outlet pointsOutlet Points; or
  - (iii) Curtailments across inlet points Inlet Points and outlet points Outlet Points.
- (c) The Operator and the Shipper must, in good faith, attempt to agree any apportionment mechanism for the purposes of this clause 17.10. If the Operator and the Shipper have not agreed an apportionment mechanism for the purposes of this clause 17.10 within 1 month from the date of the





Shipper's proposal, either Party may refer this Dispute to an Independent Expert under clause 24 for determination as a Technical Matter.

- (d) If <u>the Operator and the Shipper have agreed an apportionment mechanism or an apportionment mechanism has been determined by an Independent Expert for the purposes of this clause 17.10, then the Operator must apportion any:</u>
  - (i) refusals to Receive Gas;
  - (ii) refusals to Deliver Gas; or
  - (iii) Curtailments,

in accordance with that mechanism.

(e) If no apportionment mechanism has been proposed by the Shipper or agreed or determined under clause 17.10(c), and it becomes necessary to effect an apportionment of the kind referred to in clause 17.10(b), the apportionment may be effected by the Operator acting as a Reasonable and Prudent Person and must in that case be notified by the Operator to the Shipper as soon as practicable after the end of the relevant Gas Day.



# 18. MAINTENANCE AND MAJOR WORKSMaintenance and Major Works

- (a) By 31 AugustMarch of each Contract Year, the Shipper may provide the Operator with a schedule of events which the Shipper, acting as a Reasonable Andand Prudent Person, believes may increase or reduce the Capacity it requires for certain periods during the 12 months starting the following 1 OctoberJuly (Maintenance Year) which sets out the Shipper's best estimates of the amount and the expected duration of such increase or reduction.
- (b) Within 30 days of receiving the schedule referred to in clause 18(a), the Operator (acting as a Reasonable Andand Prudent Person) must, in consultation with the Shipper and other shippers, schedule Major Works-and Planned Maintenance for the DBNGP for the Maintenance Year (Annual DBNGP Maintenance Schedule), havingusing its reasonable regard to endeavours to take into account the periods during which the Shipper's requirements for Capacity are reduced and the Shipper's and other shippers' requirements generally.
- (c) The Operator willmust issue a copy of the Annual DBNGP Maintenance
  Schedule to all shippers who provided the Operator with a schedule pursuant to clause 18(a) a copy of the Annual DBNGP Maintenance Schedule.
- (d) At <u>the Shipper's request, the Operator shallmust provide the Shipper with its</u> estimate of the Curtailment to Capacity available to <u>the Shipper on each day of the planned outages specified in the Annual DBNGP Maintenance Schedule.</u>
- (e) Operator to the extent practical will notify Shipper of changes to its schedule of Major Works and Planned Maintenance issued to shippers under clause 18(c).
- (e) The Operator must, as a Reasonable Andand Prudent Person, endeavour to:
  - (i) comply with the Annual DBNGP Maintenance Schedule; and
  - (ii) give the Shipper as much advance notice as is reasonably practicable (in the form of regular outage schedules or otherwise) of any material departure from the Annual DBNGP Maintenance Schedule that is likely to affect Shipper. the Shipper. However, the Operator will not be bound by any notification it provides pursuant to this clause 18(e)(ii).
- (f) If the Shipper is affected by any planned Curtailment arising out of any Planned Maintenance, or any Major Works, the Operator must use endeavours which are ts reasonable in the circumstances endeavours to:
  - (i) consult with  $\underline{\text{the}}$  Shipper concerning the scheduling and duration of;
  - (ii) accommodate the needs of the Shipper in scheduling; and
  - (iii) minimise the duration and impact of,

the Curtailment.

(g) Despite clause 18(b), but subject to clauses 18(<u>e</u>) and 18(<u>f</u>) and (<u>g</u>), <u>the</u> Operator may determine the timing and extent of any Curtailment necessitated by Planned Maintenance or Major Works in its discretion.





# 19. FORCE MAJEURE Force Majeure

- (a) A Party (the *Affected Party*) is excused from performance of, and is not liable for any failure in carrying out any of its obligations under this Contract, to the extent that it is prevented from doing so by Force Majeure.
- (b) Subject to clause 19(f), an obligation to pay money is not excused by Force Majeure.
- (c) Without prejudice to <a href="mailto:the-shipper">the-shipper</a>'s entitlement to a refund under clause 17.4 in circumstances where a Curtailment is other than as a result of an event of Force Majeure where <a href="mailto:the-shipper">the-shipper</a> is the Affected Party, <a href="mailto:the-shipper">the-shipper</a> is not relieved of its obligation to pay the Capacity Reservation Charge by the occurrence of an event of Force Majeure in respect of it however caused.
- (d) If a Party claims the benefit of Force Majeure, it must:
  - promptly give notice to the other Party of the occurrence and circumstances in which the claim arises;
  - (ii) use its best endeavours to remedy the consequences without delay; and
  - (iii) resume full performance of its obligations under this Contract as soon as reasonably practicable.
- (e) Settlement of strikes, lock outs, stoppages and restraints of labour or other industrial disturbances are entirely within the discretion of the Party claiming the benefit of this clause and the Party may refrain from settling industrial disturbances or may settle them on any terms it considers to be in its best interests.
- (f) <u>The Shipper is relieved from paying the Surcharges to the extent that it was unable to prevent such Surcharges accruing due to some event of Force Majeure affecting it.</u>
- (g) For the avoidance of doubt, the Parties acknowledge that lack of finances, lack of funds or access to funds, or inability to borrow funds shallare not in any circumstances-be an event of Force Majeure under this Contract.



# 20. CHARGESCharges

#### 20.1 Obligation to pay Charges

<u>The Shipper must pay the Charges and any other amounts payable under this Contract to the Operator in the manner and at the times set out in this Contract, including the charges set out in clauses 20.2, 20.3 and 20.4 (inclusive). The Charges are to must be invoiced and payable paid in accordance with clause 21.</u>

#### 20.2 Capacity Reservation Charge

- (a) The Capacity Reservation Charge will be calculated for each Gas Day during the Period of Supply by  $\frac{\text{multiplyingcalculating}}{\text{Capacity for } \mp \underline{R} \text{1}}$  Services at each Outlet Point  $\frac{\text{multiplied}}{\text{multiplied}}$  by the  $\frac{1}{2}$  Capacity Reservation Tariff.
- (b) Subject to clause 17.4, the Capacity Reservation Charge is payable for each Gas Day during the Period of Supply regardless of whether <a href="mailto:the-shipper-provides">the-shipper provides</a> Gas at any <a href="mailto:inlet Point">inlet Point</a> and regardless of whether <a href="mailto:the-shipper-takes">the-shipper takes</a> Gas at any <a href="mailto:outlet-point">outlet point</a>.

#### 20.3 Commodity Charge

The Commodity Charge will be calculated for each Gas Day during the Period of Supply by multiplyingcalculating the Tmultiple of the R1 Commodity Tariff byand each GJ of Gas Delivered to the Shipper up to Contracted Capacity for TR1 Services at all outlet points Outlet Points by the Operator on that Gas Day.

#### 20.4 Other Charges

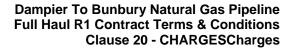
- (a) The following charges apply to this Contract:
  - (i) Excess Imbalance Charge (clause 9.5(e) and 9.6(bc));
  - (ii) Hourly Peaking Charge (clauses 10.3(<del>d)</del> and 10.4(<del>b</del>c));
  - (iii) Overrun Charge (clause 11.1(a));
  - (iv) Unavailable Overrun Charge (clauses 11.6 and 17.8(e)); and
  - (v) any charges or other sums payable under clauses 6.6,14.7,5.10(c), 6.6, 9.9(c)(i), 14.7 and 15.11 or elsewhere in this Contract,

# (together Other Charges).

(b) The Parties agree that the Other Charges are genuine pre-estimates of the unavoidable additional costs, losses and damages that <a href="mailto:the\_Operator">the\_Operator</a> will incur as a result of the conduct entitling such charges to be levied. <a href="mailto:The\_Shipper">The\_Shipper</a> will not be entitled to claim or argue (in any proceeding or otherwise), that any Other Charge is not a genuine pre-estimate of loss or damage that may be incurred by <a href="mailto:the\_Operator">the\_Operator</a> or is otherwise a penalty or constitutes penal damages.

#### 20.5 Adjustment to TR1 Reference Tariff

(a) The T1 Reference Tariff at the commencement of the Access Arrangement Period is set out in Schedule 2. Parties acknowledge that:





(b) The T1 Reference Tariff shall be adjusted each year in accordance with the Access Arrangement until the Revisions Commencement Date, in accordance with CPI on the following basis:

Tariff<sub>n</sub> = Tariff<sub>h</sub> x (CPI<sub>n</sub>/CPI<sub>h</sub>)

where:

Tariff<sub>n</sub>= the adjusted T1 Reference Tariff;

Tariff<sub>b</sub>= the T1 Reference Tariff as set out in Schedule 2 (unadjusted);

CPI<sub>b</sub> means the CPI for the quarter ending on 30 September 2004; and

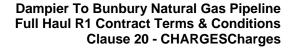
CPI<sub>n</sub> means the CPI for the quarter ending on 30 September of the year before the year for which the T1 Reference Tariff is being adjusted.

- (c) In the event that the Access Arrangement does not contain a Reference Service which is materially the same as the T1 Service then for the remaining duration of this Contract the T1 Reference Tariff shall be adjusted each year in accordance with clause 20.5(b) as if the words "until the Revisions Commencement Date" did not exist.
  - (i) as at the commencement of this Contract, the R1 Tariff has been calculated in the manner set out in section 3 of the Access

    Arrangement, as adjusted by the Reference Tariff Variation Mechanism; and
  - (ii) any adjustment of the R1 Tariff during the term of this Contract will be in accordance with the Reference Tariff Variation Mechanism.

#### 20.6 Goods and Services Tax

- (a) Unless otherwise stated, all amounts payable or the value of other consideration provided in respect of the supplies made under this Contract are exclusive of GST.
- (b) If a supply under this Contract is subject to GST then the recipient of the supply must pay, in addition to the other consideration payable or to be provided for the supply, an additional amount equal to the GST.
- (c) Where any amount is payable to a Party as a reimbursement, indemnification or similar payment calculated by reference to a loss, cost, expense or any other amount incurred by that Party, then such amount shallmust be reduced by any part of that loss, cost expense or other amount which is attributable to GST for which that Party, or the representative member of any GST group of which that Party is a member, is entitled to an input tax credit.
- (d) The additional amount payable under clause 20.6(b) shall beis payable at the same time as the payment to which it relates is payable. Where any GST payable is not referable to an actual payment then it shall beis payable within 10 days of a Tax Invoice being issued by the Party making the supply.
- (e) Where in relation to this Contract a Party makes a taxable supply, that Party shallmust provide a Tax Invoice in respect of that supply at or before the time the payment to which the supply relates is payable.
- (f) If a Party becomes aware of an adjustment event, that party agrees to notify the other Party as soon as practicable after becoming so aware, and the





Parties agree to take whatever steps are necessary, including the issue of an adjustment note, and to make whatever adjustments are required, to ensure that any GST or additional GST on that supply or any refund of any GST (or part thereof) is paid as soon as is practicable but no later than 14 days after the Supplier has satisfied itself that the adjustment event has occurred.

- (g) If an amount is paid by a Party tounder the Contract as an additional amount under clause 20.6(b) and the amount of GST inis not payable or the amount of GST is less than or greater than the additional amount paid, the payer must pay the difference to the supplier or shall be entitled to recover the amount paid from the Suppliersupplier by serving notice on the Supplier.
- (h) This clause 20.6 will continue to apply after the expiration or termination of this Contract.supplier (as the case may require).
- (h) For the purposes of this clause:
  - (i) **GST** means GST as that term is defined in the GST Law; and
  - (ii) the terms GST group, member, recipient, representative member, supply, consideration, input tax credit, taxable supply, adjustment, adjustment event and adjustment note have the same meaning as in the GST Law.

#### 20.7 Other Taxes

If at any time during the Term:

- (a) any Tax which was not in force as at the commencement of the Access Arrangement Period is validly imposed;
- (b) the rate at which a Tax is levied is validly varied from the rate prevailing as at the commencement of the Access Arrangement Period; or
- (c) the basis on which a Tax is levied or calculated is validly varied from the basis on which it is levied or calculated as at the commencement of the Access Arrangement Period.

(called the *Tax Change*) then, to the extent that the Tax Change changes any costs incurred by Operator in performing its obligations under this Contract or otherwise affects the amounts payable under this Contract, Shipper must pay to Operator an amount equal to the increase in costs attributable to the Tax Change, or Operator must pay to Shipper an amount equal to the decrease in costs attributed to the Tax Change (as the case may be), which amount shall be added to amounts, or deducted from (as the case may be) otherwise due under this Contract.



# Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 21 - INVOICING AND PAYMENTInvoicing and Payment

# 21. INVOICING AND PAYMENTInvoicing and Payment

#### 21.1 Monthly payment of Capacity Reservation Charge

- (a) The Operator must, no later than 20 days before the start of aeach month, provide the Shipper a Tax Invoice in respect of the Capacity Reservation Charges payable by the Shipper for the followingthat Gas Month under this Contract. The Tax Invoice must separately show the Capacity Reservation Charges for each Capacity Service.
- (b) The Shipper must, no later than 3 days before the start of aeach month, pay to the Operator in advance all Capacity Reservation Charges payable by it for the followingthat Gas Month as specified in the Tax Invoice referred to in clause 21.1(a).

#### 21.2 Monthly invoicing

<u>The Operator</u> must, within 5 Working Days after the end of <u>aeach</u> month, provide <u>the Shipper a Tax Invoices for the that Gas Month just ended showing:</u>

- the quantity of Gas Delivered by the Shipper at each inlet point and the quantity of Gas Delivered by the Operator at each outlet point Outlet Point on each Gas Day in the month for each Capacity Service;
- (b) the Commodity Charges for the month for each Capacity Service;
- (c) all Other Charges payable for that the month for each Capacity Service;
- (d) any other amounts which under this Contract are payable in arrears or refundable for the month;
- (e) any outstanding amounts (whether those amounts were originally payable in arrears or advance) from previous months and the interest payable thereon:
- (f) in the case of the Tax Invoice for the final Gas Month in a Gas Year, any funds payable to <u>the Shipper</u> for that Gas Year by reason of any Curtailment of <u>the Shipper</u>'s <u>TR1</u> Service; and
- (g) such other information as may be agreed between the Parties.

# 21.3 Payment within 10 Working Days

Subject to clause 21.1(b), <u>the Shipper must</u>, within 10 Working Days of receipt of a Tax Invoice, pay to <u>the Operator</u> in the manner shown on the Tax Invoice all amounts shown on the Tax Invoice as payable under this Contract.

#### 21.4 Default in payment

- (a) If <u>the Shipper fails</u> by the relevant due date to make full payment of any:
  - (i) Capacity Reservation Charge;
  - (ii) Commodity Charge;
  - (iii) Other Charges; or
  - (iv) any other amount or amounts payable by it under this Contract and shown on a Tax Invoice,



### Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 21 - INVOICING AND PAYMENTInvoicing and Payment

then, without prejudice to <u>the Operator's</u> other rights and remedies under this Contract or in equity, <u>the Shipper must</u> (unless <u>the Operator</u> in its absolute discretion waives this requirement) pay interest on the unpaid amount (after as well as before judgment), calculated <u>and compounded</u> daily at the Prescribed Interest Rate from the due date until payment.

- (b) The Prescribed Interest Rate calculated for a day from which interest is to be payable on an amount referred in clause 21.4(a) or clause 21.5 is to applyapplies until payment of that amount, and is not to be recalculated despite any change in the Bank Bill Rate during that period.
- (c) This clause 21.4 applies with appropriate changes to a default by the Operator in paying or allowing any credit, rebate or other sum under this Contract.

#### 21.5 Disputed Tax Invoices

- (a) If <u>the Shipper disputes that any</u> amount or amounts set out in a Tax Invoice to be is due or payable, then the Shipper must pay the undisputed portion (if any) of the amount shown on the Tax Invoice in accordance with clause 21.3, and must, within 10 Working Days of the date of the Tax Invoice, give notice in writing to the Operator that it disputes the amount or amounts and full details of the dispute.
- (b) Any amount withheld by <a href="mailto:the-shipper-under-this-clause-but-subsequently-found-to-have-been-payable-is">the-shipper-under-this-clause-but-subsequently-found-to-have-been-payable-is</a>, without prejudice to <a href="mailto:the-subsequent-the-su

#### 21.6 Correction of payment errors

- (a) If a Party detects any underpayment or overpayment by a Party of any amount and clause 20.5clauses 20.6(f) deesand 21.5 do not apply-(including under clause 21.5), then the detecting Party must within a reasonable time give notice to the other Party of the underpayment or overpayment, and an An adjusting payment is tomust be made by the appropriate Party within 10 Working Days of that notice, which adjusting payment is, without prejudice to the Parties' other rights, to attract interest together with interest on the amount of the payment calculated and compounded daily at the Prescribed Interest Rate from the date of underpayment or overpayment until payment.
- (b) Subject to clauses 21.4 and 21.5, in circumstances where there has been an underpayment or overpayment to which clause 21.6(a) applies and the underpayment or overpayment did not result from a failure of the Party which is obliged to pay interest under clause 21.6(a) to perform its obligation under this Contract, the Prescribed Interest Rate for the purposes of clause 21.6(a) is to be the Bank Bill Rate plus an annual interest rate of 1 percent-per annum.



# Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 22 - DEFAULT AND TERMINATIONDefault and Termination

#### 22. DEFAULT AND TERMINATION Default and Termination

### 22.1 Default by Shipper

The Shipper is in default under this Contract only if:

- (a) <u>the Shipper defaults in the due and punctual payment, at the time and in the manner prescribed for payment by this Contract, of any amount payable under this Contract. For the avoidance of doubt, withholding of a disputed amount in accordance with clause 21.5 is not considered a default;</u>
- (b) <u>the Shipper defaults in the due and punctual performance or observance of any of the other covenants, agreements, conditions or other obligations contained in this Contract and such default is material in the context of the Contract as a whole;</u>
- (c) without <u>the Operator's prior consent, the Shipper sells, parts with Possession</u> of or attempts to sell or part with Possession of, the whole or a substantial part of its undertaking, so far as that undertaking relates to the use of Gas Delivered under this Contract;
- (d) <u>the Shipper suffers an Insolvency Event;</u>
- (e) there is any adverse change in the business or financial condition of <u>the</u> Shipper or any event occurs which could, in the reasonable opinion of <u>the</u> Operator, in any way jeopardise the ability of <u>the</u> Shipper to meet its obligations to <u>the</u> Operator under this Contract; or
- (f) <u>the Shipper is found to be materially in breach of any warranty given to the Operator in this Contract, or if any statement or representation made by any means or in any document by the Shipper to the Operator, is found to be false or misleading in any material particular,</u>

and <u>the Shipper fails</u> to remedy that event within the relevant period determined in accordance with clause 22.3(b) following the giving of a Shipper Default Notice by <u>the Operator</u>.

# 22.2 Notice of Shipper's default

If an event referred to in any one or more of clauses 22.1(a) to 22.1(f) (inclusive) occurs, then <u>the Operator</u> may give notice in writing <u>by certified mail</u> to <u>the</u> Shipper specifying the nature of the default and requiring <u>the Shipper to rectify the default</u> (**Shipper Default Notice**).

#### 22.3 When Operator may exercise remedy

- (a) Subject to clause 22.3(b), <u>the Operator may exercise</u> a remedy under clause 22.4 at any time during which <u>the Shipper remains in default under this Contract.</u>
- (b) <u>The Shipper is not in default under this Contract and the Operator may not terminate this Contract under clause 22.4(b) or commence the exercise of any remedy under clause 22.4(a):</u>
  - (i) in respect of an event described in clauses 22.1(a), 22.1(d) or 22.1(e), unless it has given a Shipper Default Notice, and until 5 Working Days have elapsed after the Shipper receives that Shipper Default Notice; and



#### Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 22 - DEFAULT AND TERMINATIONDefault and Termination

(ii) in respect of an event described in clauses 22.1(b), 22.1(c) or 22.1(f), unless it has given a Shipper Default Notice and until 4020 Working Days have elapsed after the Shipper receives that Shipper Default Notice,

and the event has not been remedied within the relevant period specified in (i) or (ii) above.

(c) A default of the kind referred to in clause 22.1(d) will be get deemed to be remedied when the relevant Insolvency Event is no longer continuing.

#### 22.4 Remedies for Shipper's default

Subject to clause 22.3, if <u>the Shipper</u> is in default under this Contract, then <u>the Operator</u> may in its sole discretion:

- (a) refuse to Receive Gas from the Shipper at an inlet point Inlet Point or refuse to Deliver Gas to the Shipper at an outlet point Outlet Point until such time as:
  - (i) all amounts the failure to pay which constitutes the event described in clause 22.1(a), plus interest on those amounts at the Prescribed Interest Rate, have been paid in full; and
  - (ii) all other events described in clause 22.1 have been remedied, ceased or removed; or
- (b) by notice in writing to <u>the Shipper terminate</u> this Contract which termination takes effect immediately upon receipt of such notice.

# 22.5 Default by Operator

The Operator is in default under this Contract only if:

- (a) <u>the Operator repudiates</u>, disclaims or defaults in the performance of, any obligation under this Contract and such repudiation, disclaimer or default is material in the context of the Contract as a whole; or
- (b) an Insolvency Event occurs in respect of the Operator,

and <u>the Operator</u> fails to remedy that event within the relevant period determined in accordance with clause 22.7 following the giving of <u>aan</u> Operator Default Notice by <u>the Shipper</u>.

### 22.6 Notice of Operator's default

If an event referred to in clause 22.5 occurs, then <u>the</u> Shipper may give notice in writing <u>by certified mail-to the</u> Operator specifying the nature of the default and requiring <u>the</u> Operator to rectify the default (*Operator Default Notice*).

#### 22.7 When Shipper may exercise remedy

- (a) Subject to <u>clausesclause</u> 22.7(b) <u>and 22.7(c)</u>, <u>the Shipper may exercise a remedy under clause 22.8 at any time during which <u>the</u> Operator remains in default under this Contract.</u>
- (b) <u>The Operator</u> is not in default under this Contract and <u>the Shipper may not terminate this Contract under clause 22.8 <u>for a default under this Contract</u>:</u>



# Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 22 - DEFAULT AND TERMINATIONDefault and Termination

- (i) in respect of an event described in clause 22.5(a), unless it has given an Operator Default Notice, and until 40 Working Days have elapsed after <a href="mailto:the-operator-neceives">the-Operator neceives</a> that Operator Default Notice; and
- (ii) in respect of an event described in clause 22.5(b), unless it has given an Operator Default Notice, and until 5 Working Days have elapsed after the Operator receives that Operator Default Notice,

and the event has not been remedied within the relevant period specified in clause 22.7(b)(i) or 22.7(b)(ii) above.

(c) A default of the kind referred to in clause 22.5(b) above will beis deemed to be remedied when the relevant Insolvency Event is no longer continuing. A default of the kind referred to in clause 22.5(a) above that relates to the repudiation or disclaimer of a contract, agreement or deed will beis deemed to be remedied when the relevant repudiation or disclaimer is no longer continuing.

#### 22.8 Remedies for Operator's default

Subject in all cases to <del>clause 22.7, clauses 22.7 and 22.9,</del> if <u>the Operator is in default under this Contract</u> and:

- (a) <u>the Shipper elects to terminate this Contract in respect of a default described in clause 22.5(b), then the Shipper may in its sole discretion by notice in writing to the Operator terminate this Contract, which termination shall taketakes effect at the start of the Gas Day immediately following the Operator's receipt of the notice of termination; or</u>
- (b) <u>the Shipper elects to terminate this Contract in respect of a default described in clause 22.5(a), then the Shipper may, in its sole discretion, terminate this Contract by notice in writing to the Operator terminate this Contract, which termination shall taketakes effect aton the timedate the Shipper specifies in the notice of termination but the date must not be a date exceeding 3 years after the Operator receives the notice of termination.</u>

# 22.9 No Indirect Damages

The right of termination (with the right to recover Direct Damages) under the preceding clauses are the Shipper's sole and exclusive remedy in respect of a repudiation or disclaimer and the Operator (despite any provision of clause 23) is not liable to the Shipper for any other Indirect Damage arising in respect of a repudiationor disclaimer.

#### 22.10 Saving of other remedies

Except where expressly excluded or limited by this Contract, the right to terminate this Contract under this clause 22 is in addition to and is not in substitution for any other rights and remedies available to a Party, whether under-any Law, or this Contract or in equity under any Law.

#### 22.11 Effect of termination

- (a) Termination of this Contract by <u>the Operator</u> under clause 22.4(b) or <u>the Shipper under clause clauses</u> 22.8:
  - (i) does not prejudice the rights or remedies accrued to either Party at the date of termination or any of the provisions of clauses 17.2 or 17.3, clauses 23.1 to 23.7 (inclusive), and clause 29; and



# Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 22 - DEFAULT AND TERMINATIONDefault and Termination

- (ii) subject to clause <u>22.1022.11(b)</u>, relieves each Party of all further obligations under this Contract to the other Party.
- (b) Termination of this Contract by the Operator under clause 22.4(b) does not relieve the Shipper of its obligations under this Contract to (subject to clause 22.1022.11(c)) pay the Capacity Reservation Charges for the balance of the Period of Supply (but for the termination of this Contract) and to pay all amounts outstanding (and then due and payable) at the time of termination, and termination of this Contract by the Shipper under clause 22.8 does not relieve the Operator of its obligations to pay all amounts outstanding (and then due and payable) at the time of termination.
- (c) <u>The Shipper is relieved of its obligation under clause 22.1022.11(b) to continue to pay an amount if and to the extent that the Operator subsequently enters into a contract for Capacity Services, and receives payment from the Shipper or any other shipper for, some or all of the Contracted Capacity (*Terminated Capacity*) made spare by the termination of this Contract.</u>
- (d) For the purposes of clause 22.10(c), Terminated Capacity in any Capacity Service is tomust be assumed to be the last Capacity available to be committed under a contract for Gas Transmission Capacity, and any amounts received by the Operator under such contract are tomust be assumed to be applied last to any Terminated Capacity committed under that contract.



#### 23. **LIABILITY Liability**

#### 23.1 Liability for negligence and default limited to Direct Damage

Subject to the terms and conditions of this Contract, a Party who:

- (a) is negligent; or
- (b) defaults in respect of its obligations to the other Party under this Contract,

is liable to the other Party (including its directors, servants, consultants, independent contractors and agents) for, and is tomust indemnify the other Party (including its directors, servants, consultants, independent contractors and agents) against, any Direct Damage caused by or arising out of the negligence or default.

# 23.2 Liability for fraud

A Party who is fraudulent in respect of its obligations to the other Party under this Contract is to be-liable to the other Party for, and is tomust indemnify the other Party against, any loss or damage caused by, consequential upon or arising out of the fraud and the exclusion of Indirect Damage in clause 23.3 shalldoes not apply.

#### 23.3 No liability for Indirect Damage

- (a) Subject to clause 23.3(c), neither Party is in any circumstances to be liable to the other Party for any Indirect Damage, however arising.
- (b) Subject to clause 23.3(c), <u>the Operator hereby releases the Shipper from</u>, and agrees to indemnify <u>the Shipper against all Indirect Damage arising under</u>, or in respect of conduct under, this Contract suffered by <u>the Operator and the Shipper hereby releases the Operator from</u>, and agrees to indemnify <u>the Operator against all Indirect Damage arising under</u>, or in respect of conduct under, this Contract suffered by the Shipper.
- (c) Where this Contract states that "the exclusion of Indirect Damage in clause 23.3(a) does not apply", or words to the same effect, in relation to a matter, then:
  - (i) the exclusion of Indirect Damage in clause 23.3(a) and the release and indemnity in clause 23.3(b) do not apply in relation to that matter: and
  - (ii) the Parties' respective liability in relation to the matter is to must be determined by Law, and to avoid doubt the definition of "Indirect Damage" in this Contract is to must be disregarded for the purposes of that determination.

#### 23.4 No liability arising out of any approval by Operator

Without limiting the generality of clause 23.3, <u>the Operator</u> is not, except as provided in clauses 23.1 and 23.2, in any circumstances to be liable to <u>the Shipper</u> for any Direct Damage or Indirect Damage arising out of any approval by <u>the Operator</u> of any design, location or construction of, or proposed Operating or Maintenance procedures in relation to, any equipment, apparatus, machine, component, installation, cable, pipe or facility connected to, or adjacent to and associated with, the DBNGP.



#### 23.5 Saving of contractual payments

Nothing in this clause 23 limits the liability of either Party to make all payments due under this Contract.

#### 23.6 Shipper is-responsible for its and its-contractors' personnel and property

- (a) Subject to clause 23.1, the Shipper alone is liable for any:
  - (i) injury to or death of any person employed by <u>the Shipper</u> or by any person (except <u>the Operator</u>) contracting with <u>the Shipper</u>; and
  - (ii) loss of or damage to any property of <u>the Shipper</u> or of any person (except <u>the Operator</u>) contracting with or employed by <u>the Shipper</u>,

however caused, except to the extent this liability was contributed to by an act or omission of Operator or any person (except Shipper) contracting with Operator, or Operator's directors, servants and agents, which occurs during the duration of this Contract, in or about, or incidental to activities in or about, any Inlet Station, any Outlet Station, the DBNGP, or any other premises, facilities or places used for the storage, transportation or Delivery of Gas Received from or Delivered to the Shipper or where the Operator's property or directors, servants, consultants, independent contractors or agents and the Shipper's property or directors, servants, consultants, independent contractors or agents are in proximity.

(b) The Shipper must indemnify the Operator and any person (except the Shipper) contracting with the Operator, and their respective directors, servants, consultants, independent contractors and agents against all liabilities and expenses arising from or in connection with any claim, demand, action or proceeding made or brought by any person in respect of or in relation to any injury, death, loss or damage referred to in clause 23.6(a).

# 23.7 Operator is responsible for its and its contractors' personnel and property

- (a) Subject to clause 23.1, <u>the Operator alone is liable for any:</u>
  - (i) injury to or death of any person employed by <u>the Operator</u> or by any person (except <u>the Shipper</u>) contracting with <u>the Operator</u>; and
  - (ii) loss of or damage to any property of <u>the Operator</u> or of any person (except <u>the Shipper</u>) contracting with or employed by <u>the Operator</u>,

however caused, except to the extent this liability was contributed to by an act or omission of Shipper or any person (except Operator) contracting with Shipper, or Shipper's directors, servants and agents, which occurs during the duration of this Contract, in or about, or incidental to activities in or about, any Inlet Station, any Outlet Station, the DBNGP or any other premises, facilities or places used for the storage, transportation or Delivery of Gas Received from or Delivered to the Shipper or where the Operator's property or directors, servants, consultants, independent contractors or agents and the Shipper's property or directors, servants, consultants, independent contractors or agents are in proximity.



# Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 23 - LIABILITYLiability

(b) The Operator must indemnify the Shipper and any person (except the Operator) contracting with the Shipper, and their respective directors, servants, consultants, independent contractors and agents against all liabilities and expenses arising from or in connection with any claim, demand, action or proceeding made or brought by any person in respect of or in relation to any injury, death, loss or damage referred to in clause 23.7(a).

#### 23.8 Each limitation separate

Each limitation or exclusion created by this clause 23 and each protection given to <u>the</u> Operator or <u>the</u> Shipper or to their respective directors, servants, consultants, independent contractors and agents by this clause 23 is a separate limitation, exclusion or protection applying and surviving even if for any reason any provision of this clause 23 is held inapplicable in any circumstances.

# Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions

# Clause 24 - DISPUTE RESOLUTION AND INDEPENDENT EXPERTSDispute Resolution and Independent Experts

# 24. <u>DISPUTE RESOLUTION AND INDEPENDENT EXPERTS Dispute Resolution and Independent Experts</u>

#### 24.1 Method of Resolution

Any Dispute between the Parties must be resolved in accordance with the provisions of this clause.

# 24.2 Acknowledgment

The Parties acknowledge that, while Disputes may arise from time to time, their common intent is to ensure that any Dispute is resolved in a timely and cost effective manner.

#### 24.3 Service of Notice

If a Dispute arises at any time which is between the Parties, then either Party may give the other Party a notice in writing which is dated, signed, and must specify the precise nature of the Dispute (*Dispute Notice*).

#### 24.4 Meeting

Within 5 Working Days of service of a Dispute Notice, the Parties must meet and use all their reasonable efforts to resolve the Dispute (by negotiation or otherwise).

#### 24.5 Senior Officers

If the Dispute is not resolved within 10 Working Days after the meeting between the Parties under clause 24.4, the Parties must immediately refer the Dispute to their respective senior executive officers who must meet within 5 Working Days and use all reasonable efforts to resolve the Dispute.

#### 24.6 Failure to Resolve Dispute

If the Parties are unable to resolve the Dispute in accordance with clause 24.5, and the Dispute is a Technical Matter or a Financial Matter (as those expressions are defined in clause 24.7), then either Party may require that the Dispute be determined by an independent expert (*Independent Expert*) under clauses 24.8, 24.9 and 24.10 and if the Dispute is not a Technical Matter or a Financial Matter then either Party may commence proceedings in a court of competent jurisdiction in Western Australia.

#### 24.7 Technical and Financial Matters

In this clause 24:

- (a) a Technical Matter means a matter involving issues relating to the receipt, transportation and delivery of Gas under this Contract which is capable of determination by reference to engineering or scientific knowledge and practice (including the grounds on which the Operator has issued an Unavailability Notice); and
- (b) a *Financial Matter* means a matter involving financial calculations which is capable of determination by audit or reference to financial or accounting records, knowledge or practice.

#### 24.8 Appointment of Independent Expert

(a) The Party wishing to have the Dispute determined by an Independent Expert will give written notice to that effect to the other Party.



### Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 24 - DISPUTE RESOLUTION AND INDEPENDENT EXPERTSDispute Resolution and Independent Experts

- (b) The Parties will meet and use all reasonable endeavours to agree upon the identity of the Independent Expert, but if they are unable to agree within 10 Working Days of the notice, then either Party may refer the matter:
  - (i) if it is a Technical Matter, to the President for the time being of the Institute of Engineers, Australia;
  - (ii) if it is a Financial Matter, to the President for the time being of the Institute of Chartered Accountants in Australia: or
  - (iii) in either case, if the relevant body referred to in clause 24.8(b)(i) or 24.8(b)(ii) no longer exists, then to the President for the time being of such successor body or association as is then performing the function formerly carried out by the relevant body, or, if there is no successor body or association:
    - (A) in the case of a Technical Matter, to the President or Chairman for the time being or his <u>for</u> her nominee of a body representing engineers in the State; and
    - (B) in the case of a Financial Matter, to the President or Chairman for the time being or his <u>for</u> her nominee of a body representing chartered accountants in the State,

who will nominate a suitably qualified person to act as the Independent Expert to determine the Dispute.

# 24.9 Expert not an Arbitrator

The Independent Expert appointed under clause 24.8:

- (a) will act as an expert and not as an arbitrator;
- (b) must have no interest or duty which conflicts, or which may conflict, with his or her function as the Independent Expert;
- (c) will not be a current or former employee or representative of, or a person who provides consultancy services on a regular basis to, a Party or to a Related Body Corporate of a Party; and
- (d) must disclose fully to the Parties, before being appointed as the Independent Expert, any interest or duty which may conflict with his or her position.

#### 24.10 Representation, Evidence, Confidentiality, Powers and Costs

- (a) Each Party may be legally represented at any hearing before the Independent Expert.
- (b) Each Party will be entitled to produce to the Independent Expert any materials or evidence which that Party believes is relevant to the Dispute.
- (c) Each Party will make available to the Independent Expert all materials requested by him or her and all other materials which are relevant to his or her determination.
- (d) The Independent Expert will not be bound by the rules of evidence and, subject to abiding by the rules of natural justice, the Independent Expert will have the power to inform himself or herself independently as to the facts to



### Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 24 - DISPUTE RESOLUTION AND INDEPENDENT EXPERTSDispute Resolution and Independent Experts

which the Dispute relates and to take such measures as he or she thinks fit to expedite the determination of the Dispute.

- (e) Subject to the Independent Expert abiding by the rules of natural justice, the Independent Expert is to must determine the procedures to be followed in resolving the Dispute (including whether or not any hearing will take place) and the Parties must co-operate promptly with those procedures, but the Independent Expert shallmust in any event:
  - (i) provide the Parties with a fair opportunity to make written submissions:
  - (ii) provide written reasons for the Independent Expert's determination; and
  - (iii) prior to handing down the determination, issue the determination in draft form to the Parties and allow the Parties an equal and fair opportunity to lodge written submissions concerning the proposed determination which the Independent Expert must consider before settling and handing down the Independent Expert's determination.
- (f) Subject to clause 24.10(f)(ii), all information, material and evidence obtained or made available in the course of or for the purpose of the determination will be kept confidential by the Independent Expert and all the Parties.
  - (ii) Clause 24.10(f)(i) does not apply if:
    - (A) all the Parties otherwise agree; or
    - (B) the disclosure is authorised by Law or the disclosure is required by or under a lawwritten Law of the State or the Commonwealth.
  - (iii) If either Party becomes legally compelled to disclose information, material or evidence obtained in the course of or for the purpose of the determination, that person must immediately provide the other Party with written notice so that the other Party may seek appropriate relief and may only disclose information, material or evidence which is legally required to be disclosed.
  - (iv) This clause does not make confidential, information, material or evidence which is in the public domain at the time it is obtained in the course of or for the purpose of the determination.
  - (v) The Parties acknowledge that damages are not a sufficient remedy for any breach of the obligations of this clause and both Parties are entitled to specific performance or injunctive relief (as appropriate) as a remedy for any breach or threatened breach, in addition to any other remedies available at under any Law-or in equity.
- (g) Subject to any time prescribed anywhere else in this Contract, the Independent Expert will make a determination on the Dispute within a reasonable period of his <u>for</u> her appointment.
- (h) The determination of the Independent Expert:



### Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 24 - DISPUTE RESOLUTION AND INDEPENDENT EXPERTSDispute Resolution and Independent Experts

- (i) will be final and binding upon the Parties so far as the Law allows, except where a Party has been denied natural justice; and
- (ii) will determine what, if any, adjustments may be necessary between the Parties.
- (i) The allocation of costs in relation to a determination by the Independent Expert will be dealt with as follows:
  - (i) unless the Parties otherwise agree before the reference of the Dispute, the remuneration of the Independent Expert will be finally determined by the President for the time being of the appropriate body referred to in clause 24.8(b) who will have the power to fix the remuneration of the Independent Expert at the conclusion of the determination or, if requested by the Independent Expert, to determine a fair rate at which the Independent Expert will be remunerated at any time during the conduct of the determination process; and
  - (ii) unless the Parties otherwise agree, the Independent Expert will determine which Party will bear the costs of:
    - (A) the determination; and
    - (B) each Parties' own costs (including out of pocket costs) incurred in the preparation and presentation of any submissions or evidence to the Independent Expert,
    - (C)—and in what proportion, having regard to the degree to which he or she considers that Party was at fault or unreasonable in failing to agree to the matter under reference, and that Party will bear those costs accordingly.

#### 24.11 Urgent Relief Condition Precedent to litigation

- (a) A Party must not commence any proceedings before any court in respect of a Dispute which a Party requires to be determined by an Independent Expert under clause 24.6 unless the Dispute has first been referred to an Independent Expert and the Independent Expert does not determine the Dispute within 6 months of the date of the dispute being referred to the Independent Expert.
- (b) Nothing in this clause 24.11 will preclude either Party from seeking any urgent interlocutory, injunctive or declaratory relief, or from commencing proceedings before any court to prevent its claim from being statute barred under the *Limitation Act 1935* (WA) or any other relevant statute of limitation.



#### 25. ASSIGNMENT Assignment

#### 25.1 No assignment except under this clause

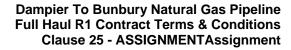
Subject to this clause 25 and to clause 27.1,27, neither Party may assign any right, interest or obligation under this Contract other than by way of a Bare Transfer in accordance with clause 27.1. (but this clause 25 does not prevent the creation of an interest for the Shipper.

#### 25.2 Charges

- (a) A Party may<sub>±</sub> without the consent of the other Party (but subject to all other necessary consents and approvals)<sub>±</sub> charge in favour of any recognised bank or financial institution or a Related Body Corporate of the Party the whole or any part of its rights or interests under this Contract (including any right to receive money), provided that the chargee enters into a tripartite agreementdeed with thethat other Party substantially in the form of Schedule 7. If Shipper is the Party charging its rights and interests under this Contract under this clause 25.2, the tripartite agreement in the form of Schedule 7 is to be modified in the manner necessary to change the charging Party from Operator to Shipperthe tripartite deed which is published on the Operator's website from time to time.
- (b) The granting of a charge under this clause 25.2 does not constitute the assignment of a right, interest or obligation referred to in this clause 25.

#### 25.3 Assignment

- (a) A Party may assign all or part of its rights and interests under this Contract without obtaining the consent of the other Party where that assignment is to a Related Body Corporate provided that:
  - (i) where the assignor is the Shipper, such assignment does not release the assignor from liability;
  - (ii) where the assignor is the Operator, such assignment does not release the assignor prior to the assignment date;
  - (iii) where the assignor is the Shipper, if the Operator reasonably considers that the proposed assignee is not likely to meet the Shipper's obligations under this Contract, the proposed assignee provides, or undertakes to provide security for those obligations on terms and conditions acceptable to the Operator; and
  - (iv) upon the assignee ceasing to be a Related Body Corporate of the assignor, the assignee must immediately transfer all of its rights and interests, under this Contract to the assignor.
- (b) Subject to clauses 25.3(c), 25.3(d), and 25.4, either Party may, with the prior written consent of the other Party, which maymust not be unreasonably withheld or delayed, assign all or part of its rights, interests and obligations under this Contract to any person.
- (c) Without limitation, the Operator may withhold its consent to an assignment by the Shipper if the Operator reasonably considers that the proposed assignee is not in a position to meet the Shipper's obligations under this Contract and will not provide, or undertake to provide, security for those obligations on terms and conditions acceptable to the Operator, acting reasonably.





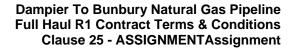
- (d) Without limitation, <a href="mailto:the-orange-nc-occupation">the Operator</a>'s obligations under this Contract if <a href="mailto:Shipper reasonably considers">Shipper reasonably considers that the proposed assignee does not have: <a href="mailto:the-nccessary contractual">the necessary contractual</a>, <a href="mailto:statutory or ownership rights for the purposes of performing all of the Operator's obligations under this Contract.">the necessary contractual</a>, <a href="mailto:statutory or ownership rights for the purposes of performing all of the Operator's obligations under this Contract.">the necessary contractual</a>, <a href="mailto:statutory or ownership rights for the purposes of performing all of the Operator's obligations under this Contract.">the necessary contractual</a>, <a href="mailto:statutory or ownership rights for the purposes of performing all of the Operator's obligations under this Contract.">the necessary contractual</a>, <a href="mailto:statutory or ownership rights for the purposes of performing all of the Operator's obligations under this Contract.">the necessary contractual</a>, <a href="mailto:statutory or ownership rights for the purposes of performing all of the Operator's obligations under this Contract.">the necessary of the purposes of performing all of the Operator's obligations under this Contract.</a>
  - (i) contractual or ownership rights to access the DBNGP for the purposes of performing all of Operator's obligations under this Contract: or
  - (ii) financial capability and technical expertise to enable the assignee to effectively operate the DBNGP and to perform all of Operator's obligations under this Contract.

### 25.4 Assignment: deed of assumption

- (a) A<u>Subject to clauses 25.4(b) and 25.5(c), a</u> Party (in this clause 25.4-called the **Assignor**) shallmust not assign all or part of its rights and interests under this Contract (other than by way of Barea Transfer in accordance withunder clause 27.427) without requiring the assignee to enter into a deed of assumption to the reasonable satisfaction of the other Party under which the assignee assumes all, or the relevant portion, of the Assignor's obligations under this Contract.
- (b) The Shipper must not assign all or part of its rights and interest under this Contract unless:
  - (i) the Operator is satisfied that the proposed assignee is likely to to meet the Shipper's obligations under this Contract; or
  - (ii) the proposed assignee provides, or undertakes to provide security for those obligations on terms and conditions acceptable to the Operator.
- (c) The Operator must not assign all or part of its rights and interest under this Contract, or title or interest in the DBNGP without requiring the assignee to enter into a deed of assumption with the Shipper under which it:
  - (i) assumes all, or the relevant portion, of the Pipeline Trustee's obligations under this Contract in respect of the Shipper (and the Shipper agrees that the Pipeline Trustee is released to the extent that the Pipeline Trustee's obligations are assumed); and
  - (ii) acknowledges that its obligations under such assumption of obligations extend to the Operator's obligations under the Relevant Agreements
- (d) Upon the fulfilment of the relevant conditions specified in clause 25.3 and the entry into of a deed of assumption contemplated by <a href="mailto:this.clause25.4(a),25.4">this.clause 25.4(a),25.4</a>, the Assignor <a href="mailto:shall beis">shall beis</a> released from all future liability and obligations under this Contract to the extent that the assignee <a href="has agreedagrees">has agreedagrees</a> to perform them under the deed of assumption, but this release <a href="mailto:shalldoes">shalldoes</a> not apply to an assignment to a Related Body Corporate under clause 25.3(a) <a href="mailto:effected">effected</a> without the written consent of the other Party.

#### 25.5 Pipeline Trustee's Acknowledgments and Undertakings

(a) The Pipeline Trustee in its capacity as trustee of the DBNGP Pipeline Trust (*Pipeline Trust*) undertakes to Shipper that the Pipeline Trustee assumes





and shall duly and punctually observe, perform and discharge all of the obligations of Operator under:

- (i) this Contract; and
- (ii) any other contract with Shipper entered into by, or undertaking given in favour of Shipper by, Operator which requires the use or application of any asset owned by the Pipeline Trust, including the DBNGP, in order to be able to perform the contract or comply with the undertaking,

except to the extent that such obligations are observed, performed or discharged by Operator.

- (b) The Pipeline Trustee, in its capacity as trustee of the Pipeline Trust, undertakes to Shipper, that if for any reason the DBNGP Operating Agreement is terminated, the Pipeline Trustee will assume and will duly and punctually observe, perform and discharge all obligations relating to the DBNGP (whether imposed on Operator or any other person) that would have been able, required or fallen to be observed, performed or discharged by Operator had the DBNGP Operating Agreement not been terminated.
- (c) Shipper acknowledges and agrees that:
  - (i) the Pipeline Trustee's obligation is to comply with obligations under the contracts and undertakings referred to in clauses 25.5(a) and 25.5(b) (*Relevant Agreements*) to the same extent that Operator would have had to comply with those obligations under the Relevant Agreements;
  - (ii) any limitation on liability, exclusion of liability, excuse from performance (for example, force majeure), qualification on performance or protection contained in a Relevant Agreement for the benefit of Operator will also apply to the same extent for the benefit of the Pipeline Trustee in respect of its obligations under clauses 25.5(a) and 25.5(b); and
  - (iii) nothing in clauses 25.5(a) and 25.5(b) gives Shipper any greater right or remedy against the Pipeline Trustee arising from a failure to perform an obligation under a Relevant Agreement by the Pipeline Trustee than the right or remedy that Shipper would have been entitled to against Operator for that failure.
- (d) The Pipeline Trustee represents and warrants that it is the legal owner of the DBNGP and owns the DBNGP in its capacity as trustee of the DBNGP Pipeline Trust.
- (e) Other than to the extent relating to the transaction documentation entered into on or about the Capacity Start Date, the Pipeline Trustee shall not dispose of the whole or any part of its right, title or interest in the DBNGP without requiring the disponee to enter into a deed of assumption with Shipper to the reasonable satisfaction of Shipper pursuant to which it:
  - (i) assumes all, or the relevant portion, of the Pipeline Trustee's obligations under this Contract in respect of Shipper (and Shipper agrees that the Pipeline Trustee will be released to the extent that the Pipeline Trustee's obligations are assumed); and



(ii) acknowledges that its obligations under such assumption of obligations extend to Operator's obligations under the Relevant Agreements,

consistent with this clause 25.5.

- (f) Subject to clause 25.5(g), if the disponee is a subsidiary of or controlled by another company or another entity, its ultimate holding company (or if it is not a company, its ultimate controlling entity) must, in addition to the disponee, execute the deed of assumption in terms of clause 25.5(e).
- (a) In this clause 25.5, **dispose** means, in relation to the DBNGP, to sell, transfer, assign, grant an option over, create an encumbrance over, declare oneself a trustee of or part with the benefit or otherwise dispose of the DBNGP (or any interest therein) and includes a transaction which results in a person other than the Pipeline Trustee:
  - (i) acquiring any equitable interest in the DBNGP, including an equitable interest arising pursuant to a declaration of trust, an agreement for sale and purchase or an option agreement or an agreement creating a charge or other security in respect of the DBNGP; or
  - (ii) otherwise acquiring legal or equitable rights against the DBNGP which have the effect of placing the person in the same position as would exist if the person had acquired a legal or equitable interest in the DBNGP itself.
- (g) If the disponee is a special purpose project vehicle or otherwise part of a project financed structure, the reference in clause 25.5(f) to an ultimate holding company or entity will be construed to be the company, or entity, (if any) within the relevant project structure most appropriate for providing support of the disponee. Nothing in clause 25.5(f) or this clause 25.5(g) requires a company or entity to enter into a deed of assumption which might create recourse beyond the project structure.

# 25.6 DBNGP Trustee Acknowledgments and Undertakings

- (b) The <u>DBNGPPipeline</u> Trustee, in its capacity as trustee of the DBNGP <u>Pipeline</u> Trust (<u>DBNGPPipeline</u> Trust), undertakes to the Shipper that the <u>DBNGPPipeline</u> Trustee assumes and shallmust duly and punctually observe, perform and discharge all of the obligations of the Operator under:
  - (i) this Contract; and
  - (ii) any other contract with <u>the Shipper entered into by</u>, or undertaking given in favour of <u>the Shipper by</u>, <del>Operator which requires the Operator which requires the use or application of any asset owned by the <u>DBNGPPipeline Trust, including the DBNGP</u>, in order to be able to perform the contract or comply with the undertaking,</del>

except to the extent that such obligations are observed, performed or discharged by Operator.the Operator.

(c) The Pipeline Trustee, in its capacity as trustee of the Pipeline Trust, undertakes to the Shipper that if for any reason the DBNGP Operating Agreement is terminated, the Pipeline Trustee will assume and will duly and punctually observe, perform and discharge all obligations relating to the DBNGP (whether imposed on the Operator or any other person) that would



have been able, required or fallen to be observed, performed or discharged by the Operator had the DBNGP Operating Agreement not been terminated.

- (d) <u>The Shipper acknowledges and agrees that:</u>
  - (i) the DBNGPPipeline Trustee's obligation is to comply with obligations under the contracts and undertakings referred to in clause 25.6(aclauses 25.5(b) and 25.5(c) (Relevant Agreements) to the same extent that the Operator would have had to comply with those obligations under the Relevant Agreements had the Operator remained bound by them;
  - (ii) any limitation on liability, exclusion of liability, excuse from performance (for example, force majeure), qualification on performance or protection contained in a Relevant Agreement and expressed to be for the benefit of the Operator will also apply to the same extent for the benefit of the DBNGPPipeline Trustee in respect of its obligations under clause 25.6(aclauses 25.5(b) and 25.5(c); and
  - (iii) nothing in clause 25.6(aclauses 25.5(b) and 25.5(c) gives the Shipper any greater right or remedy against the DBNGPPipeline Trustee arising from a failure to perform an obligation under a Relevant Agreement by the DBNGPPipeline Trustee than the right or remedy that the Shipper would have been entitled to against the Operator for that failure. had the Operator remained bound by that Relevant Agreement.
- (c) Other than to the extent relating to the transaction documentation entered into on or about the Capacity Start Date, the DBNGP Trustee shall not dispose of the whole or any part of its right, title or interest in the Pipeline Trust without requiring the disponee to enter into a deed of assumption with Shipper to the reasonable satisfaction of Shipper pursuant to which it:
  - (i) assumes all, or the relevant portion, of the DBNGP Trustee's obligations under this Contract in respect of Shipper (and Shipper agrees that the DBNGP Trustee will be released to the extent that the DBNGP Trustee's obligations are assumed); and
  - (ii) acknowledges that its obligations under such assumption of obligations extend to Operator's obligations under the Relevant Agreements,

### consistent with this clause 25.6.

- (e) The Pipeline Trustee represents and warrants that it is the legal owner of the DBNGP and owns the DBNGP in its capacity as trustee of the DBNGP Pipeline Trust.
- (f) Subject to clause 25.6(e), if If the disponee is a subsidiary of or controlled by another company or another entity, its ultimate holding company (or if it is not a company, its ultimate controlling entity) must, in addition to the disponee, execute the deed of assumption in terms of clause 25.6(c).25.4.

In this clause 25.6, *dispose* means to sell, transfer, assign, grant an option over, create an encumbrance over, declare oneself a trustee of or part with the benefit or otherwise dispose of the Pipeline Trust (or any interest therein) and includes a transaction which results in a person other than the DBNGP Trustee:





- (i) acquiring any equitable interest in the Pipeline Trust, including an equitable interest arising pursuant to a declaration of trust, an agreement for sale and purchase or an option agreement or an agreement creating a charge or other security in respect of the Pipeline Trust; or
- (ii) otherwise acquiring legal or equitable rights against the Pipeline
  Trust which have the effect of placing the person in the same
  position as would exist if the person had acquired a legal or
  equitable interest in the Pipeline Trust itself.
- (e) If the disponee is a special purpose project vehicle or otherwise part of a project financed structure, the reference in clause 25.6(d) to an ultimate holding company or entity will be construed to be the company, or entity, (if any) within the relevant project structure most appropriate for providing support of the disponee. Nothing in clause 25.6(d) or this clause 25.6(e) requires a company or entity to enter into a deed of assumption which might create recourse beyond the project structure.

#### 25.7 Non complying assignment

Any purported sale, transfer or assignment (other than by way of a bare transfer in clause 27.1) in breach of the requirements of any of the provisions of this clause 25 is void ab initio.

#### 25.6 Utilising other shippers' Daily Nominations

Neither clause 25.1 nor clause 27.2 prevent27.1 prevents the Shipper agreeing to utilizeutilise its Daily Nominations on behalf of an Otherother shipper or an Otherother shipper agreeing to utilizeutilise its Daily Nominations on behalf of Shipperthe Shipper provided that an Inlet Sales Agreement is entered into in relation to each such utilisation of Daily Nominations.



#### 26. GENERAL RIGHT OF RELINQUISHMENT Not Used

#### 26.1 Shipper may make Relinquishment Offer

- (a) In addition to its rights under this Contract to relinquish Contracted Capacity in certain circumstances, Shipper may at any time offer to relinquish all or part of its Contracted Capacity by giving notice in writing to Operator (Relinquishment Offer).
- (b) The Relinquishment Offer must specify the amount of Contracted Capacity under this Contract to be relinquished (*Relinquishable Capacity*) at an Inlet Point, and at an Outlet Point.
- (c) The Relinquishment Offer may specify how a Relinquishment Acceptance is to apportion any Relinquished Capacity between Shipper's Contracted Capacities for each Period.
- (d) A Relinquishment Offer, unless accepted under clause 26.3(a), has no effect on this Contract.

#### 26.2 Withdrawal of Relinquishment Offer

Shipper may at any time before Shipper is given a Relinquishment Acceptance in relation to a Relinquishment Offer give notice in writing to Operator that it wishes:

- (a) to withdraw that Relinquishment Offer; or
- (b) to amend that Relinquishment Offer,

and that Relinquishment Offer is by force of this clause 26.2 withdrawn or amended, as the case requires, from the time when that notice is received by Operator.

#### 26.3 Operator may accept Relinquishment Offer

- (a) Operator may at any time give notice in writing to Shipper accepting a Relinquishment Offer (*Relinquishment Acceptance*).
  - (ii) A Relinquishment Acceptance may be given in respect of all or part of the Relinquishable Capacity.
  - (iii) A Relinquishment Acceptance must not apportion Relinquished Capacity between Shipper's Contracted Capacity for each Period in a manner inconsistent with any specification under clause 26.1(d).
- (b) A Relinquishment Acceptance must specify:
  - (i) the amount of Relinquishable Capacity that Operator has agreed to relinquish (*Relinquished Capacity*);
  - (ii) the changes to the Access Request Form which are required to give effect to the relinquishment of the Relinquished Capacity; and
  - (iii) the date the relinquishment is to take effect.
- (c) Subject to clause 26.3(b), Operator's discretion in determining:
  - (i) whether or not to give a Relinquishment Acceptance;



#### Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 26 - GENERAL RIGHT OF RELINQUISHMENTNot Used

		<del>(ii)</del>	in respect of how much of the Relinquishable Capacity to give a Relinquishment Acceptance; and
		<del>(iii)</del>	the order in which it accepts offers of relinquishment from:
			(A) Shipper under this clause 26; and
			(B) if another shipper or shippers have rights of relinquishment of T1 Service under clauses materially equivalent to this clause 26, another shipper or shippers under clauses materially equivalent to this clause 26,
			is to be absolute and unfettered.
	<del>(d)</del>	Operator's	s discretion is not to be limited by:
		<del>(i)</del>	any circumstances of Shipper;
		<del>(ii)</del>	the current or projected level of utilization of capacity of the DBNGP;
		<del>(iii)</del>	the number or magnitude of current or anticipated offers of relinquishment from:
			(A) Shipper under this clause 26; and
			(B) if another shipper or shippers have rights of relinquishment of T1 Service under clauses materially equivalent to this clause 26, another shipper or shippers under clauses materially equivalent to this clause 26; or
		<del>(iv)</del>	the order in which offers of relinquishment are received by Operator from:
			(A) Shipper under this clause 26; and
			(B) if another shipper or shippers have rights of relinquishment of T1 Service under clauses materially equivalent to this clause 26, another shipper or shippers under clauses materially equivalent to this clause 26.
<del>26.4</del>	Effect of Relinquishment Acceptance		
	<del>(a)</del>	Upon receipt by Shipper of a Relinquishment Acceptance, or a later date otherwise agreed by the Parties:	
		<del>(i)</del>	Shipper's Contracted Capacity is amended in accordance with the Relinquishment Acceptance;
		<del>(ii)</del>	if, as a result of a reduction under clause 26.4(a)(i), Shipper's Contracted Capacity is reduced to zero, then this Contract is terminated; and
		<del>(iii)</del>	if the Relinquishment Acceptance is given in respect of:



#### Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 26 - GENERAL RIGHT OF RELINQUISHMENTNot Used

- (A) part only of the Relinquishable Capacity, the
  Relinquishment Offer remains in effect, subject to
  clause 26.2, in respect of the Relinquishable Capacity
  which has not become Relinquished Capacity; or
- (B) all of the Relinquishable Capacity, the Relinquishment
  Offer ceases to have effect.
- (b) Subject to clause 26.4(a)(ii), this Contract, as amended under clause 26.4(a)(i), remains in effect after receipt by Shipper of the Relinquishment Acceptance, and Operator is not obliged to release all or any part of any bond, deposit, security or other form of assurance provided by Shipper.

#### 26.5 Notification of relinquishment of capacity by other shippers

If another shipper or shippers have rights of relinquishment of T1 Service under clauses materially equivalent to this clause 26, Operator must, whenever requested by Shipper to do so, provide Shipper, at Shipper's expense, with a statement of the current amount of capacity another shipper or shippers have offered to relinquish under clauses materially equivalent to this clause 26.

#### 26.6 Administrative expenses

Shipper must, when requested by Operator to do so, reimburse Operator for all reasonable expenses incurred by Operator by reason of any:

- (a) Relinquishment Offer;
- (b) notice given under clause 26.2(a); or
- (c) Relinquishment Acceptance.



# 27. TRADING OR TRANSFERRING CONTRACTED CAPACITY Trading or Transferring Contracted Capacity

#### 27.1 Bare Transfers

Operator will permit a Bare Transfer of all or any part of a Shipper's Contacted Capacity in accordance with section 3.10 of the Code. For the avoidance of doubt, clause 25 and the remaining provisions in clause 27 will not apply to a Bare Transfer.

### 27.1 No transfer of Shipper's Contracted Capacity other than Bare Transfer than by this clause

- (a) Subject to clause 27.1, The Shipper maymust not Transfer any of its Contracted Capacity other than in accordance with this clause 27 (or clause 2525, as the case may be).
- (b) Neither clause 27.2Subject to clause 25.6, neither clause 27.1(a) nor clause 25.1 preventprevents the Shipper agreeing to utilizeutilise its Daily Nominations on behalf of an Otherother shipper or an Otherother shipper agreeing to utilizeutilise its Daily Nominations on behalf of the Shipper.

#### 27.2 Transfer by way of sub-contract

Shipper may, without Operator's consent, transfer all or any of Shipper's contracted capacity to a third party by way of sub-contract in accordance with rule 105(2) of the Rules, subject to Shipper immediately giving notice to Operator of:

- (a) the subcontract and its likely duration;
- (b) the identity of the other shipper; and
- (c) the amount of contracted capacity which is being transferred.

## 27.3 Replacement Shipper must be a<u>an other</u> shipper or<u>an</u> Approved Prospective Shipper

Other than a transfer in accordance with clause 27.2, the Shipper may Transfer Contracted Capacity only to a person who is, prior to the Transfer, an Otherother shipper or an Approved Prospective Shipper (*Replacement Shipper*).

#### 27.4 Transfer of Capacity by Shipper - Approval of transfer terms

- (a) If <u>the</u> Shipper desires to transfer all or part of its Contracted Capacity to a Replacement Shipper-for a duration less than or equal to the remaining duration of the Period of Supply, <u>the</u> Shipper must, prior to transferring or agreeing to transfer that Contracted Capacity (*Tradeable Capacity*), make a written request to <u>the</u> Operator for the approval of the Transfer of that Tradeable Capacity (*Request Forfor Approval*).
- (b) A Request Forfor Approval must set out in detail the terms and conditions on which the Shipper is prepared to Transfer the Tradeable Capacity to a Replacement Shipper, including:
  - (i) the duration of the Transfer;
  - (ii) the Inlet Point or Inlet Points and the Outlet Point or Outlet Points at which the Tradeable Capacity is to be Transferred;



# Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions ACTED CAPACITY Trading or Transferring

### Clause 27 - TRADING OR TRANSFERRING CONTRACTED CAPACITYTrading or Transferring Contracted Capacity

- (iii) the circumstances in which, and the terms on which, <u>the</u> Shipper may interrupt a Replacement Shipper;
- (iv) the quantity of Tradeable Capacity; and
- (v) whether there are any rights reserved in respect of the Tradeable Capacity by the Shipper.
- (c) <u>The Shipper may retain a right in specified circumstances to Resume the Traded Capacity, either permanently or temporarily.</u>
- (d) The Operator must, within 5 Working Days of receipt of the Request Forfor Approval, notify the Shipper that it either approves, or rejects, the Transfer Terms. The Operator may reject the Transfer Terms if the Operator as a Reasonable Andand Prudent Person considers for any reason that its operation of the DBNGP cannot accommodate:
  - (i) the Transfer of the Tradeable Capacity on the Transfer Terms; or
  - (ii) the performance of either or both of this Contract and the Replacement Contract following the Transfer of the Tradeable Capacity.
- (e) The Operator must not unreasonably withhold its approval of Transfer Terms if the Transfer is to an existing shipper who is not in default of any of its contracts for Capacity Services and Spot Transactions and, the Operator (acting as a Reasonable Andand Prudent Person) believes the DBNGP can accommodate:
  - the Transfer of the Tradeable Capacity on the Transfer Terms; and
  - (ii) the performance of either or both of this Contract and the Replacement Contract following the Transfer of the Tradeable Capacity.
- (f) If <u>the Operator does not notify the Shipper that it rejects the Transfer Terms in the terms and within the time stipulated in clause 27.4(d), then the Transfer of the Tradeable Capacity on the Transfer Terms shall be taken is deemed to have been approved by the Operator.</u>
- (g) If:
  - (i) <u>the Operator notifies the Shipper that it approves the Transfer of the Tradeable Capacity; or</u>
  - (ii) <u>the Operator</u> is taken to have approved the Transfer of the Tradeable Capacity,

(in either case *Approved Tradeable Capacity*) on the Transfer Terms, then (subject to clause 27.6) <u>the Shipper may Transfer the Tradeable Capacity to a Replacement Shipper on those terms.</u>

#### 27.5 Posting of Tradeable Capacity

(a) <u>The Operator mustmay</u>, if requested by <u>the Shipper</u>, <u>use reasonable</u> endeavours to ensure that <u>notify</u> all other shippers of which <u>the Operator</u> is aware who are or may be interested in taking a Transfer of Tradeable



### Clause 27 - TRADING OR TRANSFERRING CONTRACTED CAPACITYTrading or Transferring Contracted Capacity

Capacity are notified of details of Approved Tradeable Capacity in such a way that they all receive notice (by the CRS or otherwise) at approximately the same time as <a href="the-Operator">the-Operator</a> makes available to the shippers any bulletin dealing with the amount of Capacity available for Nomination or Renomination on a Gas Day.

(b) <u>The Operator mustmay</u> provide a statement of the current details of all other shippers' Approved Tradeable Capacity at the Shipper's request.

#### 27.6 Notification of traded capacity

<u>The Shipper is tomust</u> notify <u>the Operator of a Transfer of Approved Tradeable Capacity to a Replacement Shipper at least 2 Working Days before the Transfer of Approved Tradeable Capacity is to taketakes effect.</u>

#### 27.7 Replacement Contract

- (a) A Transfer of Approved Tradeable Capacity to a Replacement Shipper shall be taken is deemed to be a contract between the Operator and the Replacement Shipper in respect of the Approved Tradeable Capacity.
- (b) A Replacement Contract is governed by the terms and conditions of this Contract-only so far as is necessary to accommodate the Transfer Terms.
- (c) A Replacement Contract shall is deemed to include a provision that the Traded Capacity is subject to all the Operator's rights over that Traded Capacity under this Contract.
- (d) Prior to the Operator exercising any rights to terminate the Replacement Contract as a result of the Replacement Shipper's default, the Operator must give at least 520 Working Days notice to the Shipper specifying the nature of the default, and the Operator must not terminate the Replacement Contract if within that period the Shipper:
  - (i) cures the default; or
  - (ii) resumes the Tradeable Capacity (having cured the default).

#### 27.8 Shipper's Contract

- (a) Subject to this clause, <u>27</u>, this Contract remains in full force and effect following any Transfer of Traded Capacity and <u>the</u> Operator is not obliged to release any deposit, bond, security or other form of assurance provided by <u>the</u> Shipper.
- (b) For the duration of the Replacement Contract, this Contract shall be taken is deemed to be amended so that the Shipper's Contracted Capacity in respect of the relevant inlet point or inlet points or outlet point or outlet points Inlet Point or Inlet Points or Outlet Points is reduced by the amount of the Traded Capacity.

#### 27.9 Resumption of Traded Capacity by Shipper

(a) If <u>the Shipper wishes to exercise a right under the Transfer Terms to resume the Traded Capacity, the Shipper must give a Resumption Notice to the Operator and the Replacement Shipper, specifying the amount of Capacity Resumed and the duration of the Resumption.</u>



## Clause 27 - TRADING OR TRANSFERRING CONTRACTED CAPACITYTrading or Transferring Contracted Capacity

- (b) <u>The Operator</u>, on receipt of a Resumption Notice, must as soon as practicable confirm to <u>the Shipper</u> and the Replacement Shipper that the Capacity has been Resumed.
- (c) In any proceedings brought against <u>the</u> Operator in relation to a Resumption, a Resumption Notice is conclusive proof of the validity of its issue and of its contents.
- (d) To the extent that a Resumption Notice is invalidly issued or a purported Resumption is not authorised by the Transfer Terms, a Replacement Shipper's remedy lies against the Shipper.
- (e) For the duration of a Resumption, this Contract and the Replacement Contract shall be taken is deemed to be amended to the extent necessary to reflect the Resumption of Traded Capacity and the duration and terms of that Resumption.
- (f) Traded Capacity which is resumed by <u>the Shipper</u>, or Capacity which is otherwise transferred or reverts to <u>the Shipper</u>, is-te-be subject to the terms of this Contract and treated as the same Capacity Service that applied prior to its Transfer, regardless of the terms applying to it prior to the resumption.

#### 27.10 Administrative expenses

<u>The Shipper must, when requested by the Operator, reimburse the Operator for all reasonable expenses incurred or suffered by the Operator by reason of the Request Forfor Approval and any Resumption.</u>

#### 27.11 Further marketing service

- (a) Operator may, if requested by Shipper, to the extent that it considers it practicable and prudent to do so, take steps to market (as a broker, but not as a buyer and reseller) Tradeable Capacity in ways other than the posting contemplated by clause 27.5.
- (b) Operator and Shipper may agree on the remuneration of Operator in respect of any additional marketing service Operator agrees to provide, and Operator may refrain from providing that additional marketing service until such agreement is reached.

#### 27.12 Relinguishment

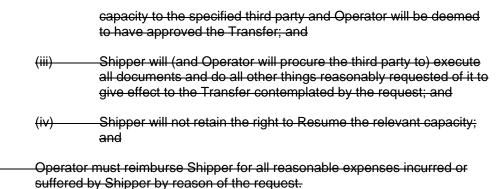
- (a) Where under this Contract Shipper has given a Relinquishment Notice or a notice indicating that it wishes to relinquish capacity, Operator may request that Shipper instead Transfer the relevant capacity to a third party specified by Operator in the request in accordance with this clause 27.
- (b) Operator must procure that the specified third party releases and indemnifies Shipper from any liability which Shipper may incur arising out of the Transfer.
- (c) If Operator makes a request under clause 27.12(a), and the third party releases Shipper from liability in accordance with clause 27.12(b), then:
  - (i) Shipper must comply with that request; and
  - (ii) Shipper is not required to make a Request For Approval under clause 27.4(a) in connection with the Transfer of the relevant



(d)

# Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions RACTED CAPACITYTrading or Transferring

## Clause 27 - TRADING OR TRANSFERRING CONTRACTED CAPACITYTrading or Transferring Contracted Capacity





#### 28. CONFIDENTIALITY Confidentiality

#### 28.1 Confidential Information

- (a) Subject to clauses 28.2 and 28.3, each Party shallmust keep the terms and conditions of this Contract, and all information specifically relating to or provided pursuant to or in accordance with this Contract or in the negotiations leading to the execution of this Contract (*Confidential Information*), confidential.
- (b) To avoid doubt Confidential Information includes all information received by <a href="the-Operator">the Operator</a> in the Operation <a href="mailto:and Expansion">and Expansion</a> of the DBNGP which relates to <a href="the-Shipper">the Shipper</a>, the disclosure or misuse of which might reasonably be expected to materially affect <a href="mailto:the-Shipper">the Shipper</a>'s commercial interests, including information relating to <a href="mailto:the-Shipper">the Shipper</a>'s gas flows and flow rates, billing, and <a href="mailto:the-Shipper">the-Shipper</a>'s maintenance schedules and plant availability.
- (c) A reference in this clause 28 to information being **disclosed** to or **received** by a Party, includes information being communicated to or created, ascertained, discovered or derived by it or on its behalf.

#### 28.2 Exceptions to Confidentiality

Either Party may disclose Confidential Information which:

- (a) at the time when it is disclosed to the Party, is publicly known;
- (b) subject to clauses 28.4 and 28.5, at the time when it is disclosed to the Party, is already known to the Party through some independent means not involving breach of any confidentiality undertaking owed pursuant to clause 28.1, and which the Party can prove by prior or contemporaneous written documentation was already known to it at the time of disclosure (unless such knowledge arose from disclosure of information in breach of an obligation of confidentiality);
- (c) after the time when it is disclosed to the Party, comes into the public domain otherwise than as a result of any breach of the confidentiality undertaking owed pursuant to clause 28.1;
- (d) subject to clauses 28.4 and 28.5, the other Party acquires from a source other than that Party or any Related Body Corporate or representative of that Party where such source is entitled to disclose it and such disclosure is not subject to confidentiality restrictions under this Contract;
- (e) that Party is required by the ASX, court order, Law, the Regulator, or requested by the ACCC to disclose, and in such cases, the disclosing Party shallmust promptly notify the other Party of that requirement or request (as the case may be);
- (f) is necessary in relation to any discovery of documents, or any proceedings before a court, tribunal, ACCC, other governmental agency or stock exchange, and in such cases, the disclosing Party shallmust promptly notify the other Party of that requirement;
- (g) with the consent of the other Party and subject to any conditions of that consent:
- (h) it is necessary or convenient in relation to any notification by the Shipper to ACCC or ERA under clause 28.7:



# Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 28 - CONFIDENTIALITYConfidentiality

- is required by Law or any governmental agency or stock exchange to be disclosed in connection with the issue of securities or financial products by a Party, a Related Body Corporate of a Party, the Diversified Utility and Energy Trust No 1 and No 2 or the POWERS Trust, or any funding vehicle of any of those parties;
- (j) is requested by an operator of a pipeline which is inter-connected with the DBNGP:
- is required by Law or any governmental agency to be disclosed in connection with any emissions generated by or associated with the operation of the DBNGP and in such cases, the disclosing Party must promptly notify the other Party of that requirement or request (as the case may be); or
- (I) comprises the terms of the Operator's Standard Shipper Contract.

#### 28.3 Permitted Disclosure

- (a) Either Party may disclose Confidential Information to:
  - (i) subject to clauses 28.4 and 28.5, its, and its Related Bodies Corporate's, employees, officers, agents, contractors, consultants, lawyers, bankers, financiers, financial and technical advisers (and for the purpose of this clause 28.3(a) Alcoa, Alinta Limited WestNet and the System Operator are tomust be considered Related Bodies Corporate of the Operator); and
  - (ii) subject to clauses 28.4 and 28.5, a bona fide proposed or prospective transferee (and their employees, officers, agents, contractors, consultants, lawyers, bankers, financiers, financial advisers, Related Entities, co-bidders or bid consortium members and actual or proposed joint venturers) of:
    - (A) a 20% or more legal or equitable interest in a relevant part or the whole of a Party's business;
    - (B) a 20% or more legal or equitable interest in any property to which the information relates;
    - (C) 20% or more of the shares in a Party; or
    - (D) 20% or more (by value) of the shares or units (or both) in a company or trust (or both) which, directly or indirectly, controls (as that term is defined in the Corporations Act) a Party,

to the extent those persons have a need to know the Confidential Information.

- (b) Nothing in this clause 28.3 permits disclosure by <u>the Operator or the System Operator</u>, or by a person or persons to whom Confidential Information from <u>the Operator or the System Operator</u> has been disclosed under this clause 28, to:
  - (i) any person who is directly involved in:
    - (A) the distribution of Gas to customers through the Western Australia Natural Gas Distribution System as that term is used in the National Third Party Access



# Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 28 - CONFIDENTIALITYConfidentiality

CodeRules for Natural Gas Pipeline Systems (as amended from time to time);

- (B) the retailing of Gas within Western Australia;
- (C) the generation or sale of electricity in Western Australia;
- (D) contracting for Capacity on the DBNGP; or
- (E) the management of the activities referred to in the preceding paragraphs clauses 28.3(b)(i)(A) to 28.3(b)(i)(D); or
- (ii) such person's employees, officers, agents, contractors, consultants and technical advisers who are themselves directly involved in any of the activities described in clause 28.3(b)(i),

except to the extent that such person is:

- (iii) the System Operator and requires the disclosure of information to it by the Operator or by it to enable it to perform its obligations to the Operator under the relevant operating and maintenance services contract (provided that at no time may the System Operator or its employees, officers, agents, contractors, consultants and technical advisers (which, without limiting clauses 28.4 and 28.5, does not include Alinta Limited WestNet to the extent it provides corporate and other head office services to the System Operator) be directly or indirectly involved in anything listed in clauses 28.3(b)(i)(B), 28.3(b)(i)(C) or 28.3(b)(i)(D) or clause 28.3(b)(i)(E) to the extent it relates to clauses 28.3(b)(i)(B), 28.3(b)(i)(C) or 28.3(b)(i)(D));
- (iv) a director or senior manager of Alcoa or Alinta Limited WestNet, or any of their Related Bodies Corporate through which they have a direct or indirect equity interest in the DBNGP, and requires the disclosure of information in connection with the management of their respective equity interests in the DBNGP; or
- (v) a senior manager of Alcoa or Alinta Limited WestNet, or any of their Related Bodies Corporate, who:
  - (A) is a director of <u>the Operator</u> or its Related Bodies Corporate, or of <u>the System Operator</u>; or
  - (B) by virtue of his or her duties as a senior manager is required to assist a director under clause 28.3(b)(iv),

which disclosure under clauses 28.3(b)(iii), <u>28.3(b)(iv)</u> and <u>28.3(b)(v)</u> is, subject to clauses 28.4 and 28.5, permitted in accordance with the provisions of this clause 28.3.

- (c) Any Party seeking to disclose information under clause 28.3(a)(ii) must:
  - (i) seek the consent of the other Party as to the protocols, arrangements and agreements which will govern the disclosure of the information and the prevention of further disclosure of the





information, which consent is not to be unreasonably withheld or unreasonably delayed; and

(ii) consult with the other Party to ascertain whether there is any commercially sensitive information which may not be disclosed at all or may only be disclosed on terms and conditions agreed between the Parties, and must give effect to the reasonable requirements of the other Party in these respects.

#### 28.4 Disclosure by recipient of Confidential Information

- (a) Any Party disclosing information under clauses 28.2 or 28.3 must ensure that persons receiving Confidential Information from it, or from any person or persons to whom the Confidential Information has been disclosed, do not:
  - (i) disclose the information except in circumstances permitted in clauses 28.2 or 28.3 (as the case may be); and
  - (ii) use the information except in the circumstances permitted by clause 28.5.
- (b) If <a href="mailto:the-">the Operator and <a href="mailto:the-">the Operator and <a href="mailto:the-">the Operator and <a href="mailto:the-">the Operator must ances as a particular case it is not possible to do so) the information is disclosed in a manner which minimises the disclosure of the Confidential Information referred to in clause 28.1(b), including by one or more of aggregating the information with like information from other shippers, presenting it in summary form, or presenting it (so far as is practicable) in a form which does not identify it as relating to <a href="mailto:the-">the Operator must one passage it is not possible to do so) the information referred to in clause 28.1(b), including by one or more of aggregating the information with like information from other shippers, presenting it in summary form, or presenting it (so far as is practicable) in a form which does not identify it as relating to <a href="mailto:the-">the Operator must one passage it is not possible to do so) the information is disclosed in a manner which minimises the disclosure of the Confidential Information referred to in clause 28.1(b), including by one or more of aggregating the information with like information from other shippers, presenting it in summary form, or presenting it (so far as is practicable) in a form which does not identify it as relating to <a href="mailto:the-">the-</a> Shipper.

#### 28.5 Use of Confidential Information

A Party who has received Confidential Information from another under this Contract must not use it, and a Party who has disclosed Confidential Information to a person under clause 28.3 must procure that that person, and any person or persons to whom the Confidential Information is subsequently disclosed, does not use it, except for the purpose of exercising the Party's rights or performing the Party's obligations under this Contract or as otherwise contemplated under this Contract, with the exception of those persons set out in clause 28.3(a)(ii), who must not use the Confidential Information received from another under this Contract except for and in relation to assessing the value of, and preparing a bid for, the relevant interest under clause 28.3(a)(ii) that is proposed to be acquired and who must comply with the protocols, arrangements and agreements agreed under clause 28.3(c)(i).

#### 28.6 Information received by Operator

- (a) <u>The Operator must develop, prior to March 2006, and thereafter implement and enforce, policies and procedures to:</u>
  - (i) give effect to its obligations under:
    - (A) <u>clausesclause</u> 28.3(a)(i), 28.3(b), 28.6(a), 28.6(b) or 28.6(c); and
    - (B) clauses 28.4 and 28.5 to the extent related to disclosure under clauses 28.3(a)(i), 28.3(b) or 28.6(b); and





(ii) subject to clause 45, ensure that all shippers are treated equally and fairly,

and must procure that its direct and indirect shareholders, service providers (including the System Operator) and all Related Bodies Corporate of these entities comply with those policies and procedures and with the Law.

- (b) The Operator recognises that some information received by its personnel or by the System Operator's personnel (which expression includes the Operator's and the System Operator's employees, officers, agents. contractors, consultants, lawyers, bankers, financiers, financial and technical advisers), including general operational and gas flow information, is commercially sensitive and the Operator undertakes that where the information is commercially sensitive (as determined by the Operator acting reasonably), in addition to the obligations under clauses 28.1 and 28.5, such Confidential Information will only be distributed by the control room personnel of the Operator or the System Operator, as the case may be, to other individuals within the Operator, or the System Operator, to the extent that those other individuals have a bona fide need to receive that Confidential Information for the purposes of Operating or Expansion of the DBNGP. The Operator must procure that any Confidential Information distributed under this clause 28.6 is only used for the purpose for which it was distributed.
- (c) The Operator must make available to the Shipper upon request a copy of the policies and procedures developed and implemented under clause 28.6(a). Despite this clause 28, the Shipper may in any submissions to the ERA or the ACCC disclose this clause 28 and the policies and procedures developed and implemented under clause 28.6(a).
- (d) Nothing in clause 28.6(c) requires the Operator to consult with the Shipper regarding, or to seek the Shipper's agreement with, any policies and procedures developed and implemented under clause 28.6(a).

#### 28.7 Breach by Operator

- (a) <u>The Shipper willmust notify the Operator immediately if it has evidence able to be substantiated of a breach by the Operator, or any party for whom the Operator is responsible under this clause 28, of any of:</u>
  - (i) clauses 28.3(a)(i), 28.3(b), 28.6(a), 28.6(b) or 28.6(c);
  - (ii) clauses 28.4 or 28.5 to the extent related to disclosure under clause 28.3(a)(i), 28.3(b) or 28.6(b); or
  - (iii) the policies or procedures referred to in clause 28.6(a),

#### (each a Relevant Breach).

- (b) Within 30 days after receipt of a notice under clause 28.7(a), <u>the Operator</u> must:
  - (i) notify the Shipper as to whether or not it agrees that a Relevant Breach has occurred; and
  - (ii) if it agrees that a Relevant Breach has occurred, specify the manner in which the Operator proposes to address the breach and ensure that it is not repeated and if applicable make a proposal of compensation for the Shipper's loss (which proposal must take into account the fact that the exclusion of Indirect Damage in





clause 23.3 does not apply in relation to <u>the</u> Operator's liability under clauses 28.7(c) and 28.7(e)).

- (c) If <a href="mailto:the">the</a> Operator does not agree that a Relevant Breach has occurred, or if <a href="mailto:the">the</a> Operator's response under clause 28.7(b) does not resolve the matter to <a href="mailto:the">the</a> Shipper's reasonable satisfaction or include a proposal of compensation acceptable to <a href="mailto:the">the</a> Shipper acting reasonably, or if <a href="mailto:the">the</a> Operator does not respond within the time required by clause 28.7(b), <a href="mailto:the">the</a> Operator does not respond within the time required by clause 28.7(b), <a href="mailto:the">the</a> Shipper may notify the ACCC. If the ACCC confirms that there was a Relevant Breach of this clause 28, <a href="mailto:the">the</a> Shipper may then pursue any other remedies under this Contract or <a href="mailto:the">atunder any</a> Law against <a href="mailto:the">the</a> Operator, including seeking any loss or damage arising in respect of the Relevant Breach. The exclusion of Indirect Damage in clause 23.3 does not apply in relation to <a href="mailto:the">the</a> Operator's liability under this clause 28.7(c).
- (d) If, following notification from the Shipper to ACCC under clause 28.7(c), the ACCC does not resolve the matter to the Shipper's reasonable satisfaction within 30 days after the Shipper notified the ACCC, the Shipper may notify the ERA.
- (e) If, following notification from the Shipper to ERA under clause 28.7(d), the ERA confirms that there was a Relevant Breach of this clause 28 or does not resolve the matter to the Shipper's reasonable satisfaction within 30 days after the Shipper notified the ERA, the Shipper may then pursue any other remedies under this Contract or atunder any Law against the Operator, including seeking any loss or damage arising in respect of the Relevant Breach. The exclusion of Indirect Damage in clause 23.3 does not apply in relation to the Operator's liability under this clause 28.7(e).
- (f) If <u>the</u> Shipper considers that a breach of this clause 28 has occurred by <u>the</u> Operator or any party for whom <u>the</u> Operator is responsible under this clause 28 but <u>the</u> Shipper does not have evidence of such breach, then <u>the</u> Shipper may notify <u>the</u> Operator.
- (g) Within 30 days after receipt of a notice under clause 28.7(f), <u>the Operator</u> must:
  - (i) notify the Shipper as to whether or not it agrees that a breach has occurred; and
  - (ii) if it agrees that a breach has occurred, confirm the manner in which the Operator proposes to address the breach and ensure that it is not repeated.
- (h) If <u>the Operator's response under clause 28.7(g)</u> does not address <u>the Shipper's concern to the Shipper's reasonable satisfaction, the Shipper may notify the ERA.</u>
- (i) Following notification under clause 28.7(h), if the ERA determines that there was a breach of this clause 28 it may suggest an appropriate remedy, however the Parties agree that <u>the Operator</u> is not liable to <u>the Shipper for any damages in these circumstances.</u>
- (j) The procedures outlined abovein clauses 28.7(a) to 28.7(i) represent the sole and exclusive means by which the Shipper may obtain damages in relation to such breaches or alleged breaches by the Operator. No right of termination arises for a Relevant Breach. This clause 28.7(j) does not limit clause 28.11.28.10.





- (k) If, and for so long as, either or both of the ERA and the ACCC are unable to accept the role intended for them under this clause 28.7, the Parties agree that the references to the ERA or ACCC, as applicable, will be to an Independent Expert under clause 24 and the provisions of clause 24 will apply subject only to the following modifications:
  - (i) the matter will be considered a Technical Matter;
  - (ii) the appointing authority in clause 24.8(b)(i) will be the Chairman for the time being of the ERA or, if he or she fails or declines to make the appointment within 10 days of being asked to do so, the President for the time being of the Institute of Chartered Accountants Australia: and
  - (iii) the following will be added to clause 24.10(g): "and the Independent Expert must, and the Parties must assist as applicable to, make a determination within 30 days of his appointment."
- (I) The Parties agree to cooperate to make submissions to the applicable person or body to seek the conferral of the relevant power on the ERA or ACCC, as applicable, in order that they may accept the role intended for them under this clause 28.7.

#### 28.8 Publicity

A Party <u>maymust</u> not make press or other announcements or releases relating to this Contract and the transactions the subject of this Contract without the approval of the other Party as to the form and manner of the announcement or release (which approval <u>shallmust</u> not be unreasonably withheld or delayed) unless and to the extent that the announcement or release is required to be made by the Party by Law or by a stock exchange. This clause 28.8 does not apply:

- (a) if the second Party unreasonably delays or withholds approval; or
- (b) to the extent that the proposed announcement or release relates to a matter regarding which the Parties are in a bona fide dispute or disagreement.

Nothing in this clause 28.8 authorises the disclosure of Confidential Information.

#### 28.9 No disclosure of terms of this Contract

Except as otherwise agreed or duly required by Law or any regulatory authority, no Party willmay disclose the terms of this Contract to any person other than pursuant to clauses 28.2(d) to 28.2(f) and 28.3.

#### 28.10 Audit

Operator will procure that, in accordance with the undertakings to the ACCC under section 87B of the *Trade Practices Act 1974* (*Undertakings*) by Alcoa, Alinta Limited, Alinta Network Services Pty Ltd, AMPCI Macquarie Infrastructure Management No 1, AMPCI Macquarie Infrastructure Management No 2 and DBNGP Holdings Pty Limited on 22 October 2004, an independent audit is undertaken in relation to compliance with the Undertakings.

#### 28.10 Remedies

The Parties acknowledge that damages are not a sufficient remedy for any breach of the obligations of this clause 28 and both Parties are entitled to specific performance or



#### Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 28 - CONFIDENTIALITYConfidentiality

injunctive relief (as appropriate) as a remedy for any breach or threatened breach, in addition to any other remedies available at under any Law-or in equity.

#### 28.11 Survival

This clause 28 survives termination (for whatever reason) of this Contract.



#### 29. NOTICES Notices

### 29.1 Notices for nominations, Curtailment, unavailability, balancing, Out-Ofof-Specification Gas and capacity trading

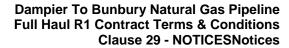
- (a) Subject to clause 29.1(b), all Curtailment Notices and Unavailability Notices and notices under clauses 7.57.5, 9.9(c), and 17.6(a) must be communicated by facsimile to the facsimile number set out in the Access Request Form, until further notice is given under clause 29.3(c), set out in the Access Request Form.
- (b) <u>The Operator and the Shipper may agree on an alternative means for communication of the notices specified in clause 29.1(a), in which case the notices must be communicated using that alternative method.</u>
- (c) Until the Operator and the Shipper agree an alternative method of communication under clause 29.1(b), the Operator and the Shipper must each install and maintain a dedicated facsimile machine on a separate facsimile number for the purposes of clause 29.1(a), and from time to time either Party may advise the other Party in writing of a new facsimile number which is to taketakes effect in substitution for the number set out in this clause 29.1 in the Access Request Form.

#### 29.2 The CRS

- (a) Subject to clauses 29.2(b) and 29.2(c), Accumulated Imbalance Notices, Resumption Notices, and all notices under clause 8 (Nominations) may be provided through the CRS.
- (b) If at any time and for any reason the CRS fails to function properly, then each of the notices specified in clause 29.2(a) that are required to be given during the period of failure, must be communicated by the method set out in clause 29.1.
- (c) The terms and conditions of access to the CRS will be as published by the Operator from time to time, provided that the CRS maymust not be used for giving notices which have contractual effect unless the Shipper has agreed to the terms and conditions (such agreement not to be unreasonably withheld).

#### 29.3 Notices generally

- (a) Where under this Contract a notice is required or permitted to be communicated to a Party (other than the notices specified in clauses 29.1(a) and 29.2(a)), the notice shall beis taken to have been communicated if it is in writing and it is delivered personally to, or sent by certified mail addressed to, the Party at the address, or is sent by facsimile transmission to the facsimile number, last notified under this clause.
- (b) For the purposes of this clause, and until further notice is given under clause 29.3(c), the addresses and facsimile numbers of the Parties are as set out in <u>in</u> the Access Request Form.
- (c) From time to time, for the purposes of this clause, either Party may advise the other Party in writing of an address located within the State and a facsimile number which are to take effect in substitution for the details set out in this clause.





(d) Nothing in this clause prevents the Parties from agreeing in writing to <a href="https://www.utilize.gutilise">utilize.gutilise</a> an alternative means of communication of notices, including via electronic mail or through the CRS.

#### 29.4 Receipt of notices

- (a) A reference in this Contract to notice before a certain time means that the notice must be received at the intended address or facsimile machine, or posted to the CRS, by no later than that time.
- (b) For the purposes of this Contract, any notice sent by facsimile machine is, subject to clause 29.4(c), to be taken to have been sent and received on the date and at the time printed on a transmission report produced by the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety to the appropriate facsimile number, unless the recipient notifies the sender within one hour (in the case of a notice to which clause 29.1(a) applies) or 12 hours (in any other case) of the time printed on the transmission report that the facsimile was not received in its entirety in legible form.
- (c) When the time printed on the transmission report referred to in clause 29.4(b) is between:
  - (i) 00:00 hours and 09:00 hours; or
  - (ii) 17:00 hours and 24:00 hours,

on a Working Day, clause 29.4(b) shall applyapplies as if, in respect to 29.4(c)(i), the time on the transmission report was 09:00 hours on the Working Day and, in respect to clause 29.4(c)(ii), the time on the transmission report was 09:00 hours on the next Working Day.

- (d) For the purposes of this Contract, any notice sent by email must be sent by and to the email addresses set out in the Access Request Form (*Dedicated Email Address*). Each Party agrees to configure the information systems on which emails are sent from and to the Dedicated Email Addresses so as to generate an automatic response message for each email received by the Dedicated Email Address. Any notice sent from a Dedicated Email Address is, subject to this clause 29.4, taken to be given and received at the time the sender receives an automatic response message to the email.
- (e) For the purposes of this Contract, a notice sent by certified mail shall beis taken to be received on the earlier of the date of receipt or on the second Working Day after the notice was committed to post.
- (f) For the purposes of this Contract:
  - (i) a notice sent by the CRS between <u>0900</u>:00 hours and 17:00 hours on a Working Day will be taken to have been received on that Working Day; and
  - (ii) the other notices sent by the CRS will be taken to have been received at the commencement of the next Working Day.



30.

### REPRESENTATIONS AND WARRANTIESRepresentations and Warranties

#### 30.1 Operator's Representations and Warranties

- (a) The Operator represents and warrants to the Shipper that:
  - (i) it has duly complied, and will up to the termination of this Contract continuously comply, with all Environmental And Safety Laws with respect to any of its obligations connected with, arising out of or in relation to this Contract;
  - it has in full force and effect all authorisations, licences, permits, consents, certificates, authorities and approvals necessary under all Environmental And Safety Laws and all other Laws to enter into this Contract, to observe its obligations under this Contract and to allow those obligations to be enforced;
  - (ii) it has in full force and effect all materially necessary leases, licences or easements to construct, Operate and Maintain the Outlet Point Station at each Outlet Point specified in the Access Request Form and Formand all metering and other facilities for which it is responsible under this Contract;
  - (iii) its obligations under this Contract are valid and binding and are enforceable against it in accordance with their terms;
  - (iv) <u>the Operator does not have immunity from the jurisdiction of a court or from legal process (whether through service of notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise);</u>
  - (v) this Contract and any transaction under it does not contravene the Operator's constituent documents or any Law or any of its obligations or undertakings by which it or any of its assets are bound or cause to be exceeded any limitation on its, or its directors', powers;
  - (vi) it is the operator of the DBNGP;
  - (vii) its obligations to make payments under this Contract rank at least equally with all unsecured and unsubordinated indebtedness of the person except debts mandatorily preferred by Law;
  - (viii) <u>the Operator</u> is not in default under a Law affecting it or its assets, or any obligation or undertaking by which it or any of its assets are bound which will, or might reasonably be expected to, materially affect its ability to perform its obligations under this Contract;
  - (ix) the Nominations Plan will be applied to the allocation of Gas
    Transmission Capacity to all shippers on the DBNGP and the
    Curtailment Plan will be applied to the Curtailment of the Delivery
    of Gas to all shippers on the DBNGP; and
  - (x) subject to a contrary provision in the Access Arrangement, it will not enter into a contract arrangement or understanding for a Capacity Service that has a priority of allocations of Nominations for the purposes of clause 8.9,8.8, and for the purposes of Curtailments under clause 17.7(a), that is inconsistent with clause 8.98.8 and in particular, but without limitation, it will not allow a



#### Clause 30 - REPRESENTATIONS AND WARRANTIESRepresentations and Warranties

Capacity Service to have a priority of allocation of Nominations which sits between Alcoa's Exempt Delivery Entitlement and the  $\mp \underline{\mathbb{R}} 1$  Service, or between any of the Types of Capacity Services listed in the Curtailment Plan.

(b) The representations and warranties in clause 30.1(a) are made on and from the Capacity Start Date, and are tomust be taken to be made anew on each day thereafter for the duration of this Contract.

#### 30.2 Shipper's Representations and Warranties

- (a) Subject to clause 30.2(b), <u>the Shipper represents and warrants to the Operator that:</u>
  - (i) it has duly complied, and will up to the termination of this Contract continuously comply, with all Environmental And Safety Laws with respect to any of its obligations connected with, arising out of or in relation to this Contract;
  - (ii) it has in full force and effect all authorisations, licences, permits, consents, certificates, authorities and approvals necessary under all Environmental And Safety Laws and all other Laws to enter into this Contract, to observe its obligations under this Contract, and to allow those obligations to be enforced;
  - (iii) it has, or its Producers have, in full force and effect all necessary leases, licences or easements to construct, Operate and Maintain all facilities for which it is responsible under this Contract;
  - (iv) its obligations under this Contract are valid and binding and are enforceable against it in accordance with their terms;
  - (v) this Contract and any transaction under it does not contravene the Shipper's constituent documents or any Law or any of its obligations or undertakings by which it or any of its assets are bound or cause to be exceeded any limitation on its, or its directors', powers;
  - (vi) its obligations to make payments under this Contract rank at least equally with all unsecured and unsubordinated indebtedness of the Shipper except debts mandatorily preferred by Law;
  - (vii) neither the Shipper nor any of its Related Bodies Corporate is in default under a Law affecting any of them or their respective assets, or any obligation or undertaking by which it or any of its assets are bound which will or might reasonably be expected to, materially affect its ability to perform the obligations under this Contract;
  - (viii) there is no pending or threatened action or proceeding affecting <a href="the-street">the-street</a> Shipper or any of its Related Bodies Corporate or any of their respective assets before a court, governmental agency, commission, arbitrator or other tribunal which will, or might reasonably be expected to, materially affect its ability to perform its obligations under this Contract;
  - (ix) neither the Shipper nor any of its Related Bodies Corporate have immunity from the jurisdiction of a court or from legal process



#### Clause 30 - REPRESENTATIONS AND WARRANTIESRepresentations and Warranties

(whether through service of notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise); and

- (x) <u>the Shipper</u> is not an agent or trustee in relation to this Contract or in relation to the Gas to be Received or Delivered under this Contract.
- (b) The representations and warranties in clause 30.2(a) are made on and from the Capacity Start Date, and shall be are taken to be made anew on each day thereafter for the duration of this Contract.

#### 30.3 Pipeline Trustee's Representations and Warranties

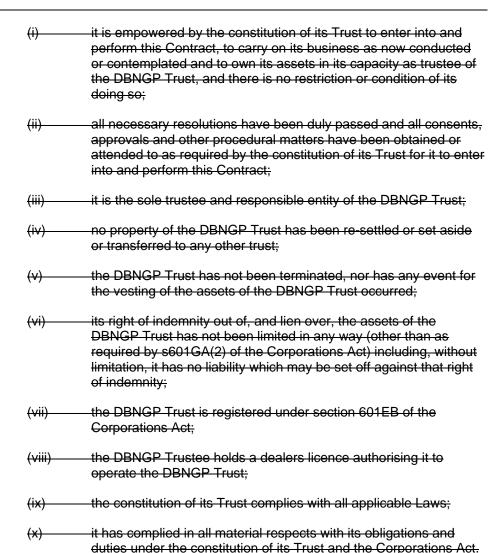
- (a) The Pipeline Trustee represents and warrants to the Shipper that:
  - it is empowered by the constitution of its Trust to enter into and perform this Contract, to carry on its business as now conducted or contemplated and to own its assets in its capacity as trustee of the Pipeline Trust, and there is no restriction on or condition of its doing so;
  - (ii) all necessary resolutions have been duly passed and all consents, approvals and other procedural matters have been obtained or attended to as required by the constitution of its Trust for it to enter into and perform this Contract;
  - (iii) it is the sole trustee and responsible entity of the Pipeline Trust;
  - (iv) no property of the Pipeline Trust has been re-settled or set aside or transferred to any other trust;
  - (v) the Pipeline Trust has not been terminated, nor has any event for the vesting of the assets of the Pipeline Trust occurred;
  - (vi) its right of indemnity out of, and lien over, the assets of the Pipeline Trust has not been limited in any way (other than as required by section 601GA(2) of the Corporations Act) including, without limitation, it has no liability which may be set off against that right of indemnity;
  - (vii) the Pipeline Trust is registered under s601EB of the Corporations Act:
  - (viii) the Pipeline Trustee holds a dealers licence authorising it to operate the Pipeline Trust;
  - (vii) the constitution of its Trust complies with all applicable Laws; and
  - (viii) it has complied in all material respects with its obligations and duties under the constitution of its Trust and the Corporations Act.
- (b) The representations and warranties in clause 30.3(a) are made on and from the Capacity Start Date and are to must be taken to be made anew on each day thereafter for the duration of this Contract.

#### 30.4 DBNGP Trustee's Representations and Warranties

(a) The DBNGP Trustee represents and warrants to Shipper that:



#### Clause 30 - REPRESENTATIONS AND WARRANTIESRepresentations and Warranties



(b) The representations and warranties in clause 30.4(a) are made on and from the Capacity Start Date and are to be taken to be made anew on each day thereafter for the duration of this Contract.

#### 30.4 Creditworthiness of Shipper

<u>The Operator may from time to time seek confirmation from the Shipper (including provision of the most recent audited financial accounts of the Shipper) that the Shipper is in a position to meet its obligations under this Contract.</u>

#### 30.5 Failure to Satisfy Operator of Creditworthiness

If <u>the Operator</u> is (acting reasonably) not sufficiently certain that <u>the Shipper</u> is in a position to meet or continue to meet its obligations under this Contract, <u>the Operator</u> may require, and <u>the Shipper</u> must provide, security for those obligations to <u>the Operator</u>'s reasonable satisfaction.



# Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 31 - RECORDS AND INFORMATIONRecords and Information

#### 31. RECORDS AND INFORMATION Records and Information

- (a) Except where otherwise provided in this Contract, both <u>the Operator and the Shipper must prepare and maintain proper books, accounts, records and inventories of all matters connected with or relating to this Contract, and <u>shallmust</u> retain those books, accounts, records and inventories for at least seven years.</u>
- (b) If Shipper requests (which it may not do more frequently than every 12 months) and without limiting any other obligation on Operator to provide information under this Contract, another contract or at Law, Operator shall provide Shipper with a non-binding indicative summary of its material planned expansions (if any) of the Gas Transmission Capacity for the following 5 years. Shipper agrees that these plans will be prepared and provided to Shipper without any warranty or undertaking that such planned expansions will be undertaken, or if undertaken will be effective and available to Shipper.



#### 32. **INSURANCES**Insurances

- (a) Subject to clause 32(d), <u>the Shipper must procure and maintain at its own</u> expense throughout the duration of this Contract the following insurances with insurers having a reputation satisfactory to a Reasonable <u>Andand</u> Prudent Person:
  - (i) workers' compensation insurance in accordance with the *Workers' Compensation and Injury Management Act* <u>1981,1981 (WA),</u> and for <u>the Shipper's common law liability to workers;</u>
  - (ii) property damage insurance against damage, loss or destruction of <a href="the-shipper">the-shipper</a>'s plant and equipment (if any) at the Inlet Point Station or Outlet Point Station; and
  - (iii) liability insurance for such amount as <u>the</u> Operator may reasonably require (not exceeding \$100 million adjusted for changes in CPI compared to the CPI for the quarter ending immediately prior to 27 October 2004) against risk of loss, damage, death or injury to property or personnel of <u>the</u> Operator, <u>the</u> Shipper or the public in connection with, related to or arising out of this Contract, caused by negligence.
- (b) Subject to clause 32(d), the Shipper must:
  - (i) arrange for the Operator's interest to be noted on the policies referred to in clauses 32(a)(ii) and 32(a)(iii) to the reasonable satisfaction of the Operator so that the Operator is covered under those policies; and
  - (ii) use all reasonable endeavours to arrange for the insurers to waive rights of subrogation against the Operator.
- (c) Subject to clause 32(d), the Shipper must, prior to the commencement of this Contract and prior to the commencement of each Calendar Year thereafter, provide the Operator with certificates of currency of the insurances and endorsements required by this clause. 32.
- (d) The Operator may waive compliance by the Shipper with any or all of the requirements of clauses 32(a), 32(b) and 32(c), if the Operator:
  - (i) is satisfied that <u>the</u> Shipper has adequate alternative arrangements; or
  - (ii) accepts the Shipper as a self-insurer; or
  - (iii) determines that there is other sufficient reason to do so.
- (e) Subject to clause 32(h), <u>the Operator must procure and maintain at its own expense throughout the duration of this Contract the following insurances with insurers having a reputation satisfactory to a Reasonable <u>Andand Prudent Person:</u></u>
  - (i) workers' compensation insurance in accordance with the *Workers' Compensation and Injury Management Act* 1981, 1981 (WA), and for the Operator's common law liability to workers;
  - (ii) property damage insurance against damage, loss or destruction of the DBNGP and all associated equipment; and



# Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 32 - INSURANCESInsurances

- (iii) liability insurance for such amount as <a href="mailto:the-">the</a> Shipper may reasonably require (not exceeding \$100 million adjusted for changes in CPI compared to the CPI for the quarter ending immediately prior to 27 October 2004) against risk of loss, damage, death or injury to property or personnel of <a href="mailto:the-">the</a> Operator, <a href="mailto:the-">the</a> Shipper or the public in connection with, related to or arising out of this Contract, caused by negligence.
- (f) Subject to clause 32(h), <u>the Operator must use all reasonable endeavours to arrange for:</u>
  - (i) (A) endorsement on the policies referred to in clauses 32(e)(ii) and 32(e)(iii) of the Shipper as an insured or co-insured; or
    - (B) <u>the Shipper's interest to be noted on those policies to</u> the satisfaction of <u>the Shipper so that the Shipper is</u> covered under those policies; and
  - (ii) the insurers to waive rights of subrogation against the Shipper.
- (g) Subject to clause 32(h), <u>the Operator must</u>, prior to the commencement of this Contract and prior to the commencement of each Calendar Year thereafter, provide <u>the Shipper with certificates of currency of the insurances and endorsements required by this clause.</u>
- (h) <u>The Shipper may waive compliance by the Operator with any or all of the requirements of clauses 32(e), 32(f) and 32(g), if the Shipper:</u>
  - (i) is satisfied that <u>the Operator</u> has adequate alternative arrangements;
  - (ii) accepts the Operator as a self-insurer; or
  - (iii) determines that there is other sufficient reason to do so.



#### 33. NO WAIVER No Waiver

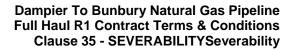
No failure or delay by a Party in exercising any of its rights under this Contract operates as a waiver of the Party's rights or prevents the Party from subsequently enforcing any right or treating any breach by the other Party as a repudiation of this Contract.





#### 34. ENTIRE AGREEMENT Entire Agreement

This Contract-and the Access Arrangement constitutes the entire agreement between the Parties on the subject matter of this Contract and supersedes all prior negotiations, representations and agreements between the Parties.





#### 35. **SEVERABILITY**Severability

If any clause or provision of this Contract is held to be illegal or unenforceable by any judgment of a court, arbitrator, tribunal or authority having competent jurisdiction, the judgment does not affect the remaining provisions of this Contract which remain in full force and effect as if the clause or provision held to be illegal or unenforceable had not been included in this Contract.



#### Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 36 - ENTRY AND INSPECTIONEntry and Inspection

#### 36. ENTRY AND INSPECTION Entry and Inspection

- (a) Each Party shallmust grant to, or use its reasonable endeavours to procure for, the other Party all reasonable rights of entry:
  - (i) for the purposes of constructing, installing, operating, maintaining and verifying the accuracy of any Metering Equipment, other equipment or thing (and if the Party is the Operator, the DBNGP);
  - (ii) to inspect for safety or other reasons the construction, installation, Operation, Maintenance and repair of any Metering Equipment, other equipment or thing (and if the Party is the Operator, the DBNGP); and
  - (iii) for any other purpose connected with or arising out of this Contract.
- (b) Any entry under clause 36(a) is made in all respects at the expense and risk of the entering Party, who must, subject to clause 23 make good any damage occasioned by or resulting from the entry.
- (c) Except in the case of emergency, a Party shallmust:
  - (i) when it seeks to exercise a right of entry under this clause 36, give reasonable notice to the other Party specifying the proposed time and duration of entry; and
  - (ii) take all reasonable steps to ensure that during the entry its employees, servants, consultants, independent contractors and agents cause as little inconvenience to the other Party as possible and at all times comply with all reasonable safety standards and other requirements of that Party.
- (d) To the extent that any equipment or thing is located on the premises of a third person, the Parties shallmust use their reasonable endeavours to secure for either or both of the Parties a right of entry to that third person's premises.



Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 37 - OWNERSHIP, CONTROL, MAINTENANCE AND RISKOwnership, Control, Maintenance and Risk

## 37. OWNERSHIP, CONTROL, MAINTENANCE AND RISK Ownership, Control, Maintenance and Risk

- (a) In the absence of any agreement between the Parties to the contrary, the inlet pointInlet Point and the outlet pointOutlet Point on the DBNGP mark the boundaries of ownership of all plant, equipment, pipelines and facilities, and, as between the Parties and in the absence of evidence to the contrary, Shipper is to be:
  - <u>the Shipper is</u> presumed to own any relevant thing upstream of the inlet point and downstream of an outlet point, and Operator is to beOutlet Point; and
  - <u>the Operator is</u> presumed to own any relevant thing between the inlet point and the outlet point lnlet Point and the Outlet Point.
- (b) In the absence of any agreement between the Parties to the contrary, the responsibility to install, commission, Operate and Maintain, and the risk in relation to, all plant, equipment, pipelines and facilities follows ownership.



# Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions AMENDMENTRevocation, Substitution and

Clause 38 - REVOCATION, SUBSTITUTION AND AMENDMENTRevocation, Substitution and Amendment

## 38. REVOCATION, SUBSTITUTION AND AMENDMENT Revocation, Substitution and Amendment

- (a) <u>Subject to clause 38(b), the Operator and the Shipper may at any time agree</u> in writing to revoke, substitute or amend any provision of this Contract (including the Access Request Form).
- (b) The Operator and the Shipper may not amend this Contract to increase the Shipper's Contracted Capacity under this Contract, except in circumstances where the Shipper is entitled to additional Contracted Capacity under the Access Arrangement.
- (c) Nothing in this clause 38 prevents Clause 38(b) does not prevent the Shipper from:
  - (i) relocating Contracted Capacity under this Contract;
  - (ii) nominating or Renominatingmaking a Nomination or Renomination for and being allocatedscheduled Capacity under this Contract which exceeds the Shipper's Contracted Capacity;
  - (iii) contracting for and having Capacity transferred to it by an Otherother shipper; or
  - (iv) varying this Contract in accordance with clauses 14.9 or 17.7(ef).
- (c) If the Parties agree to an increase in Contracted Capacity, this Contract (including the Access Request Form) is to be amended to reflect this.



#### Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 39 - NO COMMON CARRIAGENO Common Carriage

#### 39. NO COMMON CARRIAGE No Common Carriage

Neither  $\underline{\text{the}}$  Operator nor  $\underline{\text{the}}$  Shipper is a common carrier of Gas transported through the DBNGP.



#### Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 40 - OPERATOR NOT A SUPPLIER OF GASOperator Not a Supplier of Gas

#### 40. OPERATOR NOT A SUPPLIER OF GASOperator Not a Supplier of Gas

Nothing in this Contract requires  $\underline{\text{the}}$  Operator to supply Gas to  $\underline{\text{the}}$  Shipper but  $\underline{\text{the}}$  Operator is required to Deliver Gas from time to time in accordance with this Contract.



#### 41. STAMP DUTY Stamp duty

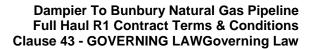
The Shipper must pay all stamp duty which may be payable in respect of this Contract.



#### Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 42 - NO THIRD PARTY BENEFITNO Third Party Benefit

#### 42. NO THIRD PARTY BENEFIT No Third Party Benefit

Subject to clause 23, no person other than <u>the Operator or the Shipper is to obtain obtains</u> any right, benefit or entitlement under this Contract, despite that person being referred to in this Contract or belonging to a class of persons which is referred to in this Contract.





#### 43. GOVERNING LAW Governing Law

This Contract is temust be construed and interpreted in accordance with the Law of Western Australia and the Parties entering into this Contract submit to the non-exclusive jurisdiction of the courts of Western Australia.



#### 44. **GENERAL**General

#### 44.1 Operator's discretion

Operator acknowledges and agrees that inln circumstances in which itthe Operator has a discretion to take action under this Contract, including any of clauses 9.5(b)(ii), 9.8,9.7, or 10.3(a)(iii) or 10.4i) that may limit the amount of Capacity available to the Shipper, or that may affect the way in which the Shipper may use Capacity, during a certain period, which action is not governed by the provisions of clauses 8.7,8.8, or 8.9, 8.15 or 8.16 relating to Nominations or clauses 17.9 or 17.10 relating to Curtailment, the Operator must treat the Shipper fairly and reasonably in the circumstances with all other shippers who should or may be subject to similar action.

#### 44.2 Refusal to Receive or deliver Deliver Gas

Where <u>the Operator</u> is entitled under this Contract to refuse to Receive Gas at an <u>inlet point Inlet Point</u> or refuse to Deliver Gas at an <u>outlet point Outlet Point</u>, then <u>the Operator</u> may take whatever action it believes, acting as a Reasonable <u>Andand</u> Prudent Person, is necessary to refuse to Receive Gas at an <u>inlet point Inlet Point</u> or refuse to Deliver Gas at an <u>outlet point Outlet Point</u>, including by physically reducing, interrupting or stopping completely or in part the flow of Gas at the <u>inlet point or outlet point Inlet Point</u> or Outlet Point.



## 45. NON-DISCRIMINATION CLAUSENot Used

#### 45.1 Access to DBNGP information

If Operator, System Operator or any of their contractors or agents, or any person or persons to whom information from Operator or System Operator has been disclosed, provides any information to any shipper or a Related Body Corporate or officer of a shipper (acting in their respective capacity as shippers) about availability of Capacity, including:

- (a) information relating to planned and unplanned maintenance;
- (b) policies and procedures under which the market for Spot Capacity and Curtailment is administered; or
- (c) DBNGP flow data between each compressor station and each other significant point,

then, other than to the extent that such information relates to an inlet point, outlet point or gate station which is specific to an individual shipper, Operator must ensure that Shipper receives that information at substantially the same time and in the same format.

Nothing in this clause 45.1 limits Operator's obligations under clause 28.

#### 45.2 Arms' length dealings

Operator must, and must procure that System Operator does, in Operating and Expanding the DBNGP and exercising the discretions afforded to Operator under this and other contracts:

- (a) treat all shippers (including shippers which are Associates of a Relevant Company) on an arms' length basis; and
- (b) ensure that no shipper which is an Associate of a Relevant Company receives a benefit, compared with an other shipper which is not, unless the benefit is attributable to an arms' length application of the two shippers' respective contractual entitlements entered into on terms and conditions that are comparable with the Standard Shipper Contract.



Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions

Clause 46 - PIPELINE TRUSTEE'S LIMITATION OF LIABILITYPipeline Trustee's Limitation of Liability

# 46. PIPELINE TRUSTEE'S LIMITATION OF LIABILITY Pipeline Trustee's Limitation of Liability

- (a) The Pipeline Trustee enters into this Contract only in its capacity as trustee of the Pipeline Trust and in no other capacity. A liability arising under or in connection with this Contract can be enforced against the Pipeline Trustee only to the extent to which it can be satisfied out of property of the Pipeline Trust out of which the Pipeline Trustee is actually indemnified for the liability. Except as provided in clause 46(b), this limitation of the Pipeline Trustee's liability applies despite any other provision of this Contract and extends to all liabilities and obligations of the Pipeline Trustee in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to this Contract.
- (b) Clause 46(a) does not act to limit:
  - (i) <u>the Shipper's entitlements to seek orders against the Pipeline</u>
    Trustee (in its capacity as trustee of the Pipeline Trust) for specific performance or injunctive relief, in addition to any other remedies available to <u>the Shipper atunder any Law-or in equity</u>; or
  - (ii) Pipeline Trustee's liability arising as a result of its fraud, gross negligence or gross misconduct.



## Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Clause 47 - DBNGP TRUSTEE'S LIMITATION OF LIABILITYNot Used

## 47. DBNGP TRUSTEE'S LIMITATION OF LIABILITY Not Used

- (a) The DBNGP Trustee enters into this Contract only in its capacity as trustee of the DBNGP Trust and in no other capacity. A liability arising under or in connection with this Contract can be enforced against the DBNGP Trustee only to the extent to which it can be satisfied out of property of the DBNGP Trust out of which the DBNGP Trustee is actually indemnified for the liability. Except as provided in clause 47(b), this limitation of the DBNGP Trustee's liability applies despite any other provision of this Contract and extends to all liabilities and obligations of the DBNGP Trustee in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to this Contract.
- (b) Clause 47(a) does not act to limit:
  - (i) Shipper's entitlements to seek orders against the DBNGP Trustee (in its capacity as trustee of the DBNGP Trust) for specific performance or injunctive relief, in addition to any other remedies available to Shipper at Law or in equity; or
  - (ii) DBNGP Trustee's liability arising as a result of its fraud, gross negligence or gross misconduct.

Schedule 1 - Access Request Form



# Schedule 1- Access Request Form

# TAX INVOICE ABN: 69 081 609 190

## <u>DAMPIER TO BUNBURY NATURAL GAS PIPELINE</u> REFERENCE SERVICE ACCESS REQUEST FORM

This is an Access Request Form for a Reference Service. In accordance with the Access Arrangement, the terms and conditions for the Reference Service are subject to negotiation between Operator and Prospective Shipper.

	•	<del></del>			
1.	PROSPECTIVE SHIPPER DET	TAILS			
	<u>Name</u>				
	<u>ABN</u>				
	<u>Address</u>				
	Telephone Number				
	Facsimile Number				
	<u>Email</u>				
	Nominated Representative				
_					
2.	OPERATOR DETAILS				
	<u>Name</u>	DBNGP (WA) TRANSMISSION PTY LIMITED			
	ABN	69 081 609 190			
	Address	Level 6, 12-14 The Esplanade			
	<u>ridal 033</u>	Perth WA 6000			
	Telephone Number	(08) 9223 4300			
	Facsimile Number	(08) 9223 4301			
	Email	dbpnotices@dbp.net.au			
	Nominated Representative	Manager, Commercial Operations			
		manager semineral estatione			
3.	SERVICE DETAILS				
	D 0				
	Requested Reference Service	2			
	Requested Reference Service	<u> </u>			
	Start Date	<u>2</u>			
		<u>l</u>			
Requested Reference Service					
	End Date	<u> </u>			
		I .			



## INLET AND OUTLET POINTS

<u>The following are to be the Inlet Points, Outlet Points and Contracted Capacity for Service as at the Capacity Start Date.</u>

ITEM 1: INLET POINTS: DESCRIPTION AND CONTRACTED CAPACITIES

	Location	<u>Designation</u>	Contracted Capacity (TJ/d)
<u>1.</u>			
<u>2.</u>			
<u>3.</u>			
TOTA	<u>AL:</u>		

#### ITEM 2: OUTLET POINTS: DESCRIPTION AND CONTRACTED CAPACITIES

	<u>Location</u>	<u>Designation</u>	Contracted Capacity (TJ/d)
<u>1.</u>			
<u>2.</u>			
<u>3.</u>			
TOTAL:			

#### CREDITWORTHINESS

<u>Prospective Shipper represents and warrants that copies of its latest set of audited accounts and (if applicable) its Constitution are attached.</u>

## 6. TERMS AND CONDITIONS

The Terms and Conditions of the R1 Shipper Contract apply.

## ACKNOWLEDGMENT

By executing and submitting this Access Request Form, Prospective Shipper acknowledges having read and understood the latest version of the Access Arrangement, including the Queuing Policy under the Access Arrangement, and the proposed terms and conditions for the Reference Service.

### 8. AGREEMENT

In accordance with the Access Arrangement, this Access Request when executed by the Operator and the Pipeline Trustee and attached to the R1 Shipper Contract forms the Agreement between the parties.

## 9. DUPLICATE

This Request for a Reference Service must be submitted to Operator in duplicate.



## 10. PRESCRIBED FEE

This Access Request Form is accompanied by the Prescribed Fee (as specified in the Access Guide) (plus the amount of GST payable in respect of the Prescribed Fee). This Access Request Form is to be treated by Prospective Shipper as a tax invoice in connection with the Prescribed Fee.

Executed by	v Prospective	Shipper:
-------------	---------------	----------

## **Executed by**

<u>[insert Prospective Shippers Details and ABN]</u> in accordance with section 127 of the Corporations Act 2001:

Name (block letters)

Signature - Director	Signed – Director/Secretary
<u>Title</u>	<u>Title</u>

Name (block letters)

Name (block letters)

#### Date of Execution:

**Executed by Operator:** 

**Executed by** 

<u>DBNGP (WA) Transmission Pty Limited</u> (ABN 69 081 609 190) in accordance with section 127 of the Corporations Act 2001:

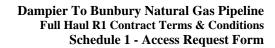
Name (block letters)

Signature – Director
Signed – Director/Secretary

Title
Title



Date of Execution:





# **Executed by Pipeline Trustee:**

**Executed by** 

DBNGP (WA) Nominees Pty Limited (ABN 78 081 609 289) in accordance with section 127 of the Corporations Act 2001:

<u>Signature – Director</u> <u>Signed – Director/Secretary</u>

<u>Title</u> <u>Title</u>

Name (block letters) Name (block letters)

Date of Execution:



# Schedule 2 \_\_Charges

All amounts in this Schedule 2 are exclusive of GST.

## **T1 Reference Tariff**

Tariff	Amount
T1 Capacity Reservation Tariff	\$0.899899/GJ MDQ
T1 Commodity Tariff	\$0.103122/GJ

Other Charges (clause 20.4)

Row	Description of Charge	Rate at which Charge is determined		
1	Excess Imbalance Charge (clause 9.6(b), clause 9.5(ec))	200% of the <u>TR</u> 1 Reference Tariff from time to time		
2	Hourly Peaking Charge (clause 10.3(de) and 10.4(b))	200% of the <u>TR1</u> Reference-Tariff from time to time		
3	Overrun Charge (clause 11.1(a))	At the rate specified in clause 11.1(b)		
4	Unavailable Overrun Charge (clause 11.6 and clause 17.8(e))	The greater of:  (a) 250% of the TR1 Reference-Tariff from		
		time to time; and		
		(b) the highest price bid for Spot Capacity which was accepted for that Gas Day, other than when the highest price bid was not a bona fide bid, in which case the highest bona fide bid.		



# Schedule 3 \_\_Operating Specifications

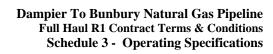
# Item 1 Gas Specifications

Component	Inlet Points and			
		<b>Outlet Points</b>		
Maximum carbon dioxide (mol %)		4.0		
Maximum inert gases (mol %)		7.0		
Minimum higher heating value (MJ/m3)		37.0		
Maximum higher heating value (MJ/m3)		42.3		
Minimum Wobbe Index		46.5		
Maximum Wobbe Index		51.0		
Maximum total sulphur (mg/m3) Unodorised Gas		10		
	Odorised Gas	20		
Maximum Hydrogen Sulphide (mg/m3)		2		
Maximum Oxygen (mol %)		0.2		
Maximum Water (mg/m3)		48		
Hydrocarbon dewpoint over the pressure rabsolute	Below θ <sup>e</sup> C <u>0<sup>0</sup>C</u>			
Maximum radioactive components (Bq/m3)	600			
Minimum Extractable LPGs (t/ TJ)*		0		
* Extractable LPG means LPG that can be extracted from Gas without causing the Gas to fail to				

<sup>\*</sup> Extractable LPG means LPG that can be extracted from Gas without causing the Gas to fail to comply with the Operating Specifications for Outlet Points.

Schedule 4 - Intentionally Deleted

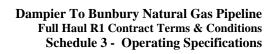
Schedule 5 -





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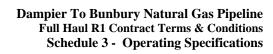
Schedule 6 -





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Schedule 7





Tripa	rtite	Deed
Tipe		Deca

In addition, the following temperature and pressure specifications apply:

Schedule 8 -



# Item 2 Gas Temperature and Pressure

# Inlet Points: Minimum and Maximum Temperature and Pressure

		<u>Pressure</u>		<u>Temperature</u>	
	Location	Min (kPag)	Max (kPag)	Min (°C)	Max (°C)
1.	[Location]	[Line Pressure]	[MAOP]	[0]	[45] - all Inlet Points except I1-01

# **Outlet Points: Minimum and Maximum Temperature and Pressure**

		<u>Pressure</u>		<u>Temperature</u>	
	<u>Location</u>	Min (kPag)	Max (kPag)	Min (°C)	Max (°C)
1.	[Location]	[Line Pressure]	[MAOP]	[0]	[45]



# Schedule 4 - Pipeline Description

 $\frac{http://www.era.wa.gov.au/library/AAI\%5FAnnex\%5F1\%5FDescription\%5Fof\%5FGas\%5FTransmis}{\underline{sion\%5FSystem.pdf}}$ 



# Schedule 5 - Existing Stations

Existing Station	<u>Designation</u>		
Nangetty Road	<u>081-01</u>		
<u>Eneabba</u>	<u>083-01</u>		
Pinjar Power Station	<u>OP2-01</u>		
Ellenbrook	<u>OP3-01</u>		
North Metro	<u>OP4-01</u> <u>OP5-01</u> <u>OP9-01</u>		
South Metro	<u>OP4-01</u> <u>OP6-01</u> <u>OP7-01</u>		
WLPG	OPLPG-01		
AGR	OPLPGOSO-01		
Kwinana Power Station	<u>OKW-02</u>		
Barter Road	<u>OKW-03</u>		
BP Cogen	<u>ORK-01</u>		
Mason Road	<u>ORK-02</u>		
Rockingham	<u>ORK-03</u>		
<u>TiWest Cogen</u>	<u>ORK-05</u>		
WMC	<u>ORK-04</u>		
Pinjarra Town	<u>OS1-01</u>		
Alcoa Pinjarra Cogen	<u>OS2-01</u>		
Harvey	<u>OS4-01</u>		
Worsley	<u>OS4-02</u>		
Rhone Poulenc (Oakley Road)	<u>OS2-02</u>		
<u>Kemerton</u>	<u>OS5-01</u>		
Clifton Road	<u>OS6-01</u>		



# Schedule 6 - Curtailment Plan

# PARTPart A

Order of Priority	System Curtailment
1	Any Capacity Service insofar as it is for the Shipper's relevant share of the Distribution Networks' IPQ
2	Alcoa's Priority Quantity
3	Alcoa's Exempt Delivery Entitlement (excluding Alcoa's Priority Quantity) and T1 Service (including Aggregated T, P1 Service) and B1 Service, apportioned in accordance with the provisions of Part B of this Schedule 86
4	The balance of Alcoa's Exempt Delivery Entitlement (excluding Alcoa's Priority Quantity) and T1 Service (including Aggregated T. P1 Service) and B1 Service, which is not dealt with under item 3 above, apportioned in accordance with the provisions of Part B of this Schedule 86
5	FirmR1 Service
<u>6</u>	<u>Tp Service</u>
6 <u>7</u>	Other Reserved Service (other than Tp Service or Tx Service)
7	Spot Capacity, in the manner described in clause 17.9(c)(iii)
<u>8</u>	Spot Capacity

01	Delat One of Co.
Order of Priority	Point Specific Curtailment
1	Any Capacity Service insofar as it is for the shipper's relevant share of the Distribution Networks' IPQ
2	Alcoa's Priority Quantity
3	Alcoa's Exempt Delivery Entitlement (excluding Alcoa's Priority Quantity) and T1 Service (excluding Aggregated T, P1 Service) and B1 Service, at the relevant point apportioned in accordance with the provisions of Part B of this Schedule 86
4	The balance of Alcoa's Exempt Delivery Entitlement (excluding Alcoa's Priority Quantity) and T1 Service (excluding Aggregated T. P1 Service) and B1 Service, at the relevant point which is not dealt with under item 3 above, apportioned in accordance with the provisions of Part B of this Schedule 86
5	FirmR1 Service that is Contracted Capacity at the relevant point
<u>6</u>	Tp Service
67	Other Reserved Service (other than Tp Service or Tx Service) that is Contracted Capacity at the relevant point
7	Aggregated T1 Service at the relevant point
8	Other Reserved Service (if any) nominated by and allocatedscheduled to the shipper at the relevant point at which the shipper does not have Contracted Capacity in that Other Reserved



Dampier To Bunbury Natural Gas Pipeline Full Haul R1 Contract Terms & Conditions Schedule 6 - Curtailment Plan

	Service in accordance with the provision of the shipper's contract for the Other Reserved Service
<del>9</del> <u>10</u>	Spot Capacity <del>, in the manner described in clause 17.9(c)(iii)</del>



## Schedule 8 - Curtailment PlanPARTPart B

- (a) The amount of Capacity available after allowing for items 1 and 2 in Part A of this Schedule 8,6, up to the next 253.5 TJ/d of Capacity, is to must be apportioned as follows:
  - (i) ½ of the available Capacity is tomust be apportioned to Alcoa; and
  - (ii) ½ of the available Capacity is to must be apportioned to TR1 Service, P1 Service and B1 Service which, among shippers with Contracted Capacity for TR1 Service is to, P1 Service and B1 Service must be apportioned in accordance with clause 17.9(c)(i).
- (b) The amount of Capacity available after allowing for items 1, 2 and 3 in Part A of this Schedule 8 is to 6 must be apportioned as follows:
  - (i) the Alcoa Proportion of the available Capacity is to must be apportioned to Alcoa; and
  - the balance of the available Capacity is temust be apportioned to TR1 Service, P1 Service and B1 Service which, among shippers with Contracted Capacity for TR1 Service is to, P1 Service and B1 Service must be apportioned in accordance with clause 17.9(c)(i), or if there is available Capacity after all TR1 Service, P1 Service and B1 Service has been provided for then to items below TR1 Service, P1 Service and B1 Service in the applicable column of the table in Part A of this Schedule 8,6, which among shippers with the relevant Type of Capacity Service is temust be apportioned in accordance with clause 17.9(c)(i).
- (c) The Alcoa Proportion is tomust be determined in accordance with the following:

AP = AE / PE

Where:

$$AP = \frac{AE}{PE}$$

where:

**AP** = the Alcoa Proportion;

AE = the aggregate of all Alcoa's additional entitlements to Capacity under the Alcoa Exempt Contract which have arisen as a result of Alcoa giving notices requiring additional Capacity under the provisions of the Alcoa Exempt Contract since the date of the Alcoa Exempt Contract which entitlements have not been discontinued or relinquished by Alcoa; and

PE = the aggregate of all increases in Full Haul Capacity on the DBNGP which have resulted from Capacity expansion programmes as contemplated in the Alcoa Exempt Contract since the date of the Alcoa Exempt Contract, less the lesser of <sup>1</sup>/<sub>3</sub> of the capacity of the last such Capacity expansion programme or 30 TJ/d.

