



27 July 2018

Our Reference: APLNG - COR - 0013977

Australian Energy Market Operator  
Commercial Services  
Level 22, 530 Collins Street  
Melbourne VIC 3000

Sent via email: [pct@aemo.com.au](mailto:pct@aemo.com.au)

Dear Australian Energy Market Operator

**Capacity Trading Reform Package – Consultation Paper**

Australia Pacific LNG Pty Limited (**APLNG**) is pleased to provide the Australian Energy Market Operator (**AEMO**) stakeholder feedback on the Capacity Trading Reform Package Consultation Paper. APLNG is an incorporated joint venture among ConocoPhillips, Origin and Sinopec. As Queensland's largest gas producer, APLNG supplies a significant percentage of Queensland's long term gas needs as well as exporting LNG under contract to China and Japan. Please refer to the attached template for our responses.

APLNG provides the following comments in support of the National Gas Objective and the Energy Council's Vision for the competitive Australian Gas Market. APLNG is an active participant in the gas market reform work program and strongly supports the implementation of the reform package to improve access to competitively priced transportation capacity across the east coast and improve market transparency.

Thank you for the opportunity to provide these comments, should you have any questions or would like to discuss this submission further, please contact Darren Meznarich at 07 3021 3350 or [Darren.meznarich@aplng.com.au](mailto:Darren.meznarich@aplng.com.au)

Yours sincerely

A handwritten signature in black ink, appearing to read "Warwick King".

**Warwick King**  
Chief Executive Officer  
Australia Pacific LNG Pty Limited

## Attachment 1 Stakeholder feedback template

This template has been developed to enable stakeholders to provide their feedback on the proposed service points, zones and, where relevant, pipeline segments for the initial set of facilities that are expected to be subject to the reforms. The template also contains a number of specific questions that AEMO and the GMRG would like feedback on.

AEMO and the GMRG strongly encourage stakeholders to use this template, so they can have due regard to the views expressed by stakeholders on each issue. Stakeholders should not feel obliged to answer each question, but rather address those issues of particular interest or concern. Further context for the questions can be found in the consultation paper.

Pipelines	Questions	Feedback
1.	<p><b>South West Queensland Pipeline:</b></p> <p>1. Do you agree with the proposed service points, zones and pipeline segments?</p>	<ul style="list-style-type: none"> <li>• Moomba Low Pressure Trade Point should be a receipt and delivery point and be part of SWQP-RZ-01 and SWQP-DZ-01.</li> <li>• Ballera Notional Point should be introduced as a trade point. This point should be prior to Ballera compression on the SWQP.</li> </ul>
	<p><b>Roma to Brisbane Pipeline:</b></p> <p>2. Do you agree with the proposed service points, zones and pipeline segments?</p> <p>3. Do you agree with the proposed specification of delivery zones incorporating STTM custody transfer points? If not, please explain why not.</p> <p>4. Do you consider that there is likely to be a reasonable level of demand for a backhaul product from the Brisbane STTM given there is no additional supply source at Brisbane?</p> <ul style="list-style-type: none"> <li>o If not, please explain why not.</li> <li>o If so, do you consider the specification of a backhaul service between the Brisbane STTM nomination point (backhaul receipt point) and RBP Trade Point (backhaul delivery point) is appropriate? If not, please explain why not and</li> </ul>	<p>2. RBP Trade Point should be a receipt and delivery point across the whole pipe and not be designated at a specific zone.</p> <p>3. Yes</p> <p>4. APLNG believes that there will be minimal demand for a backhaul product.</p>

Questions	Feedback
<p>set out what service points you think backhaul services should be available between and why.</p>	
<p><b>5. Berwyndale to Wallumbilla Pipeline:</b> 5. Do you agree with the proposed service points, zones and pipeline segments?</p>	<p>APLNG would like to understand if you can receipt gas at <b>Berwyndale Entry (SO4)</b> from a delivery on the WGP pipeline <b>Bellevue - D</b></p>
<p><b>6. Wallumbilla to Gladstone Pipeline:</b> 6. Do you agree with the proposed service points, zones and pipeline segments?</p>	<p>Yes</p>
<p><b>7. Carpentaria Gas Pipeline:</b> 7. Do you agree with the proposed service points, zones and pipeline segments?</p>	<p>Yes. When the pipeline converts to a bi-directional pipeline there may be a need for a Ballera physical receipt point.</p>
<p><b>8. Darling Downs Pipeline:</b> 8. Do you agree with the proposed service points, zones and pipeline segments?</p>	<p>APLNG believe there is some further work required to define some of the receipt and delivery points in the Talinga region. For example:</p> <ul style="list-style-type: none"> <li>• <b>Talinga Receipt and APLNG to DDP</b> – it is unclear which receipt point is Talinga Compression facility and which one is APLNG to DDP.</li> <li>• <b>Talinga Delivery and DDP to APLNG</b> seem to be the same point. We recommend these points are combined.</li> </ul>
<p><b>9. Spring Gully Pipeline:</b> 9. Do you agree with the proposed service points, zones and pipeline segments?</p>	<p><b>Spring Gully Gas Plant and Strathblane Gas Plant</b> are the same point as <b>Spring Gully Gathering Line Pipeline</b> –APLNG recommends they are named as the same point and names <b>SGGL Pipeline Receipt point</b> and <b>SGGL Pipeline Delivery</b></p>

Questions	Feedback
<p>10. <b>Queensland Gas Pipeline:</b></p> <p>10. Do you agree with the proposed service points, zones and pipeline segments?</p> <p>11. Do you consider that the receipt points between Wallumbilla and Rolleston should be allocated to a single receipt zone?</p> <ul style="list-style-type: none"> <li>o If so, please explain what benefits you think would be associated with doing so.</li> <li>o If not, please explain why not.</li> </ul> <p>12. Do you agree with the grouping of all delivery points at Gladstone into a single zone? If not, please explain why not.</p> <p>13. Do you agree with the proposed specification of backhaul receipt and delivery points on the QGP?</p> <ul style="list-style-type: none"> <li>o If not, please explain why not and set out what service points you think backhaul services should be available between and why.</li> </ul>	<p>10. Yes</p> <p>11. APLNG believe there are different pipeline pressures and constraints at different zones (e.g. Wallumbilla vs Goolimbah) and as such we think it would be difficult to manage.</p> <p>12. Yes, APLNG's understanding is that these points could be grouped together and unutilised capacity in one area could be used at another area.</p> <p>13. Yes</p>
<p>11. <b>North Queensland Gas Pipeline:</b></p> <p>14. Do you agree with the proposed service points, zones and pipeline segments?</p>	<p>No comment</p>
<p>12. <b>Amadeus Gas Pipeline:</b></p> <p>15. Do you agree with the proposed service points, zones and pipeline segments?</p>	<p>No comment</p>
<p>13. <b>Northern Gas Pipeline:</b></p> <p>16. Do you agree with the proposed service points, zones and pipeline segments?</p>	<p>Yes. Aligning the names of the interconnecting points would be useful. The delivery point onto the CGP is called <b>Mt Isa</b> however the receipt point on the CGP is called <b>NGP interconnect</b>.</p>



Questions	Feedback
<p><b>14. Moolamba to Adelaide Pipeline System:</b></p> <p>17. Do you agree with the proposed service points, zones and pipeline segments?</p> <p>18. Do you agree with the proposed specification of the delivery zone incorporating both STTM custom transfer points and non-STTM points? If not, please explain why not.</p> <p>19. Do you consider that the Adelaide Metro notional point should be specified as:</p> <ul style="list-style-type: none"> <li>o A forward haul receipt point for northern haul services? or</li> <li>o A backhaul receipt point (i.e. gas supply at this service point is likely to be an offset to STTM deliveries)?</li> </ul> <p>Please provide an explanation for your response.</p>	<p>17. Yes</p> <p>18. No comment</p> <p>19. No comment</p>
<p><b>15. Port Campbell to Adelaide Pipeline:</b></p> <p>20. Do you agree with the proposed service points, zones and pipeline segments?</p> <p>21. Do you agree with the proposed specification of the delivery zone incorporating both STTM custody transfer points and non-STTM points? If not, please explain why not.</p> <p>22. Do you agree with the proposed specification of the backhaul receipt and backhaul delivery points on the PCA? If not, please explain why not and set out what service points you think backhaul services should be available between and why.</p>	<p>No comment</p>
<p><b>16. Port Campbell to Iona Pipeline:</b></p> <p>23. Do you agree with the proposed service points, zones and pipeline segments?</p>	<p>No comment</p>



Questions	Feedback
<p>24. Do you agree with the proposed specification of the delivery zone incorporating DWGM interface points? If not, please explain why not.</p> <p>25. Do you agree with the proposed specification of the backhaul receipt and backhaul delivery points on the PCI? If not, please explain why not and set out what service points you think backhaul services should be available between and why.</p>	
<p>17. <b>SESA Pipeline:</b></p> <p>26. Do you agree with the proposed service points, zones and pipeline segments?</p>	No comment
<p>18. <b>Eastern Gas Pipeline:</b></p> <p>27. Do you agree with the proposed service points, zones and pipeline segments?</p> <p>28. Do you agree with the proposed specification of delivery zones incorporating both STTM custody transfer points and non-STTM points? If not, please explain why not.</p> <p>29. Do you agree with the proposed specification of the backhaul receipt and backhaul delivery points on the EGP? If not, please explain why not and set out what service points you think backhaul services should be available between.</p> <p>30. Do you agree that the Wilton EGP service point should be specified as a backhaul receipt point (i.e. to enable gas to be backhauled from Wilton EGP to Longford or other backhaul delivery points)?</p> <ul style="list-style-type: none"> <li>o If so, please explain what benefits you think there would be in specifying this as a backhaul receipt point.</li> <li>o If not, please explain why not.</li> </ul>	No comment

Questions	Feedback
<p>19. <b>Moomba to Sydney, Central West and Central Ranges pipelines:</b></p> <p>31. Do you agree with the proposed service points, zones and pipeline segments?</p> <p>32. Do you agree with the proposed specification of a delivery zone incorporating both STTM custody transfer points and non-STTM points? If not, please explain why not.</p> <p>33. Do you agree with the proposal to allocate Culcairn South and Uranquinty to the same delivery zone? If not, please explain why not.</p>	<p>31. Moomba Low Pressure Trade Point should be a receipt and delivery point and MAPS IPT receipt point should be a receipt point on the MSP.</p> <p>32. Yes</p> <p>33. No comment</p>
<p>20. <b>Illabo to Tumut Pipeline:</b></p> <p>34. Do you agree with the proposed service points, zones and pipeline segments?</p>	<p>No comment</p>
<p>21. <b>VicHub Pipeline:</b></p> <p>35. Do you agree with the proposed service points, zones and pipeline segments?</p>	<p>No comment</p>
<p>22. <b>Tasmanian Gas Pipeline:</b></p> <p>36. Do you agree with the proposed service points, zones and pipeline segments?</p> <p>37. Do you agree with the proposal to include the TGP notional park delivery point and the TasHub delivery point in two separate delivery zones?</p> <ul style="list-style-type: none"> <li>o If so, please explain why.</li> <li>o If not, do you think that combining these points into a single zone where capacity available in the DAA for both points would be limited by the CBU capacity at TasHub is appropriate?</li> </ul>	<p>No comment</p>



Questions	Feedback
<b>Compression facilities</b>	
38. Do you agree with the proposal to allocate the Port Latta service point and Bridgewater service point to separate zones?	
<b>Wallumbilla Compression Facility 1:</b>	
39. Do you agree with the proposed service points and zones?	Yes
<b>Wallumbilla Compression Facility 2:</b>	
40. Do you agree with the proposed service points and zones?	Yes
<b>Moomba Compression Facility:</b>	
41. Do you agree with the proposed service points and zones?	APLNG recommends the Moomba Low pressure trade point to be retained.
<b>Ballera Compression Facility:</b>	
41. Do you agree with the proposed service points and zones?	Yes
<b>Iona Compression Facility:</b>	
42. Do you agree with the proposed service points and zones?	No comment