

Eastern Gas Pipeline Non Discriminatory Access Policy

The Eastern Gas Pipeline (**EGP**) is owned by Jemena Eastern Gas Pipeline (1) Pty Ltd and Jemena Eastern Gas Pipeline (2) Pty Ltd (**Jemena**). The EGP is an unregulated pipeline operating in a competitive energy market.

From the commencement of its operation the EGP has provided service as an open access pipeline. To provide shippers with confidence that access would be provided on a fair and non-discriminatory basis, EGP has operated under a Non-Discriminatory Access Policy (**NDAP**) and Principles. These principles were originally established when the EGP's spare capacity exceeded demand and have operated successfully.

Jemena is committed to the provision of voluntary, non-discriminatory, pipeline access to third parties, operating within a framework that takes into account sound commercial principles and provides a fair and reasonable foundation to meet its shippers' needs. Jemena believes that such a commitment is essential to the development of transparent and competitive markets for pipeline services. Further, it is only through the development of such markets that economic growth and the potential of Jemena's assets can be realised.

As part of its operating framework, Jemena has established this NDAP for the EGP comprising the following seven key elements.

1. Market-Responsive Pipeline Services

Jemena will develop and promote effective pipeline services in conjunction with market participants and in response to market needs.

2. Non-Discriminatory Access

Jemena will ensure that, where sufficient spare capacity is available to meet new demand and subject to pre-existing contractual arrangements; all persons who have submitted an application for access in accordance with this NDAP (**Prospective Shippers**) have equal opportunities for access to a standard service at the applicable published price.

When the combined demands for pipeline services exceed pipeline capacity (**'Excess Demand'**), it may not be feasible to provide all Prospective Shippers with pipeline service.

In the case of Excess Demand, Jemena will provide an equal opportunity to all parties wishing to access new services.

- Where Jemena determines that sufficient spare capacity is available to meet some but not all Prospective Shippers' demands, it may conduct a competitive tender to auction the spare capacity.
- In the event that Jemena determines that there is sufficient demand for an economic pipeline expansion, it may elect to seek expressions of interest from Prospective Shippers and either negotiate with them directly or conduct a competitive tender for any spare capacity and the new (unbuilt) capacity.

Jemena may elect not to proceed with an investment in new capacity where it may be uneconomic, where it is unreasonable, for technical reasons or for other reasons specified by Jemena.

Access is subject to (and Jemena is under no obligation until) the shipper and Jemena enter into a gas transportation agreement on the standard terms and conditions of service or such other terms as are agreed.

Jemena's up-to-date standard terms and conditions of service, standard connection agreement and other related policies on are available on request.

Jemena may update these documents from time to time to reflect changes in market conditions, legislation, rules and regulations or technical requirements.

3. Connections

Where needed to facilitate gas transportation services, Jemena will add connections to the EGP for new receipt points or delivery points, subject to a connecting party entering into an agreement based on its standard connection agreement.

4. Affiliate Deal Disclosure

Jemena's related entities are not current or Prospective Shippers on the EGP. In the event that in future Jemena's affiliates seek or gain access to the EGP, it will publish ring fencing obligations.

5. Protection of Confidential Information

Jemena will ensure that confidential commercial information provided by shippers will be treated as confidential as set out in the standard terms and conditions of service and will only be used for the purposes for which it was provided.

6. Capacity Trading

Jemena will ensure that shippers are able to freely trade pipeline services in accordance with their transportation agreement.

7. Extensions and Expansions

Jemena will consider extending or expanding the EGP to meet shippers' requirements for new or enhanced transportation services where it considers it to be commercially viable and technically feasible to do so.

For further information about Jemena's Non-Discriminatory Access Policy and how the policies are applied, please contact the Southern Pipelines Commercial Manager - (03) 9173 7835.