



Northern Gas Pipeline Gas Transportation Agreement

Commercial and confidential

Jemena Northern Gas Pipeline Pty Ltd
Transporter

[Insert Shipper name]
Shipper

Version 28 July 2021

Contents

- 1. Definitions..... 1**
- 2. General rules of interpretation 16**
 - 2.1 Interpretation..... 16
 - 2.2 Rounding 18
 - 2.3 Contract Years of less than 365 days..... 18
 - 2.4 Standards 18
 - 2.5 Action without delay 18
 - 2.6 Provisions limiting or excluding liability, rights or obligations 18
 - 2.7 Relationship of the parties 19
 - 2.8 Reasonable endeavours of a party..... 19
- 3. Rolled in tariff principles 19**
- 4. Term of agreement..... 19**
 - 4.1 Term of this agreement 19
 - 4.2 Services Term..... 20
- 5. Services 20**
 - 5.1 Types of gas transportation services on Pipeline..... 20
 - 5.2 Provision of Services under this agreement..... 20
 - 5.3 Operations manual 20
 - 5.4 Maximum Daily Quantity..... 21
 - 5.5 Overrun Gas 21
 - 5.6 Overrun is interruptible 22
 - 5.7 Charges for Overrun..... 22
- 6. Nominations and System Use Gas..... 23**
 - 6.1 Rolling 15 Month forecasts 23
 - 6.2 Nominations, confirmations and notices..... 23
 - 6.3 Weekly Nominations..... 24
 - 6.4 Daily Nominations..... 24
 - 6.5 Intra-Day Nomination for Services..... 26
 - 6.6 Nomination changes are not retrospective 27
 - 6.7 Compatible Nominations 27
 - 6.8 Changes to Nominations procedure 27
 - 6.9 Application 28
 - 6.10 System Use Gas..... 28
 - 6.11 Shipper's supply obligation 28
- 7A. Operational Transfers..... 28**
- 7B. Capacity Trade Service 30**
- 7. Scheduling..... 31**
 - 7.1 Scheduling of nominated quantities of Gas 31
 - 7.2 Notices 31
 - 7.3 Transporter's obligations 31
 - 7.4 Changes to scheduling 31
- 8. Allocation of Receipt Point and Delivery Point Quantities 32**
 - 8.1 Allocations for more than one Pipeline Shipper 32
 - 8.2 Pro rata allocation of receipts and deliveries..... 32
 - 8.3 Multi-Shippers' agreement..... 32
 - 8.4 Allocation by third party operators of infrastructure..... 32
 - 8.5 Operational Flow Orders 32
 - 8.6 Settlement..... 33
- 9. Imbalances..... 34**
 - 9.1 Calculating imbalances..... 34

9.2	Calculation of Cumulative Imbalance	34
9.3	Shipper's obligations to balance	34
9.4	Transporter's rights to correct Shipper's Cumulative Imbalance	35
9.5	Elimination of Cumulative Imbalances at the Service End Date	35
9.6	Charges for imbalances	35
9.7	Allocation of imbalance to associated service	36
9.8	Imbalance trading	37
10.	Title and possession.....	37
10.1	Title	37
10.2	Possession	37
10.3	Warranty	38
10.4	Transporter not a bailee	38
10.5	Commingling of Gas	38
11.	Base Linepack	38
11.1	Determination of Base Linepack	38
11.2	Title to Base Linepack	38
12.	Pipeline pressure and Shutdowns	38
12.1	Transporter to maintain receipt and delivery pressure and temperature	38
12.2	Shipper's obligations	38
12.3	Transporter's obligations	39
12.4	Shutdowns	39
13.	Quality	39
13.1	Specification	39
13.2	Receipt Point quality	39
13.3	Liability - Receipt Point	40
13.4	Delivery Point quality	41
13.5	Liability - Delivery Point	42
13.6	Limitations of liability	42
14.	Metering	43
14.1	How metering to be conducted	43
14.2	Provision and operation of Measuring Equipment	43
14.3	Delivery Point assumptions	43
14.4	Check Measuring Equipment	43
14.5	Uniformity of flow	43
14.6	Measurement Manual	44
14.7	Inspection of equipment and records	44
14.8	Validation of meters	44
14.9	Payment for validations	44
14.10	Existing Facilities	45
15.	Force Majeure.....	45
16.	Curtailment to Services	47
16.1	Permitted Curtailment	47
16.2	Notice of Curtailment	48
16.3	Adjustment to Pipeline Charges	48
16.4	Condition of Curtailment	48
16.5	Priority during Curtailment	48
17.	Pipeline Charges	49
18.	Change of Law and Carbon Charges	49
18.1	Change of Law	49
18.2	Carbon Charge	51
18.3	Capacity Trading Reform	51

19.	Goods and services tax (GST)	51
19.1	Interpretation.....	51
19.2	Reimbursements and similar payments	52
19.3	GST payable.....	52
19.4	Variation of GST	53
20.	Invoicing and payment	53
20.1	Invoices.....	53
20.2	Due date	53
20.3	Method of payment.....	53
20.4	Disputed invoices.....	53
20.5	Metering error	54
20.6	Metering adjustment invoice.....	54
20.7	Maintenance of records	54
20.8	Final invoice.....	55
20.9	Set-off	55
21.	Audit rights	55
22.	Default	55
22.1	Events of Default	55
22.2	Default Notice	55
22.3	Remedies.....	56
22.4	Effect of termination.....	57
23.	Dispute resolution procedure	57
23.1	Disputes generally	57
23.2	Notice of Dispute	57
23.3	Continue to perform.....	57
23.4	Interlocutory relief	58
24.	Senior negotiations	58
24.1	Notification	58
24.2	Attempt to resolve Dispute	58
25.	Expert determination	58
25.1	Expert determination	58
25.2	Selection of expert.....	58
25.3	Rules of expert determination.....	59
25.4	Expert finding.....	59
25.5	Liability of expert.....	59
25.6	Costs.....	60
26.	Arbitration	60
26.1	Reference to arbitration	60
26.2	Arbitration	60
26.3	Appointment of arbitrator	60
26.4	General Principles for conduct of arbitration	61
26.5	Proportional liability	62
26.6	Extension of ambit of arbitration proceedings	62
26.7	Award final and binding	62
26.8	Governing law of arbitration agreement	62
27.	Exclusions and limitations of liability	62
27.1	Excluded Loss	62
27.2	Limitation of liability	63
27.3	Operational Transfers.....	64
28.	Confidential Information and disclosure	64
28.1	Confidential Information and disclosure	64
28.2	Exceptions to Confidentiality	64

28.3	Permitted disclosure	65
28.4	Disclosure by Transporter	65
28.5	Injunctive relief.....	65
29.	Assignment.....	65
29.1	Assignment by the Transporter	65
29.2	Financiers' securities	66
29.3	Assignment by the Shipper.....	66
30.	Ongoing Support.....	67
30.1	Refusal of Supply.....	67
30.2	Creditworthiness	67
30.3	Adequate Assurance	67
31.	Change of control	68
32.	Additional receipt and delivery points and variations	68
32.1	Existing Receipt Points or Delivery Points	68
32.2	The Shipper may request new Receipt Points or Delivery Points	69
32.3	The Transporter's obligations	69
32.4	Scope of Connection Works	69
32.5	The Transporter's proposals.....	70
32.6	Firm Back Haul Transportation Service.....	71
33.	Personal Property Securities Act	72
34.	Representations, reliance and warranties	73
34.1	Shipper's representations and warranties	73
34.2	Transporter's representations and warranties	73
34.3	Repetition of representation and warranties.....	74
34.4	Implied warranties.....	74
34.5	Notification by party	74
34.6	No representation or reliance	74
35.	Notices and other communications	74
35.1	Operational Communications	74
35.2	Formal notices	75
35.3	Notice requirements	75
36.	Miscellaneous.....	76
36.1	Interest on overdue amounts	76
36.2	Governing law	76
36.3	Jurisdiction	76
36.4	Entire agreement	77
36.5	Further acts and documents.....	77
36.6	Survival of certain provisions.....	77
36.7	Waiver.....	77
36.8	Consents, approvals and directions	78
36.9	Amendments.....	78
36.10	Expenses	78
36.11	Severance.....	78
36.12	Counterparts	78
36.13	Indemnities	78
36.14	Proportionate liability	78
36.15	Indices no longer available	79
Schedule 1 - Rolled in tariff / Shipper Expansion Capacity Charge – Calculation Principles		80
Schedule 2 - Services.....		84
Schedule 3 - Increase in Contractual MDQ.....		87
Schedule 4 - Expert Determination Agreement.....		89

Schedule 5 - Gas Specification 100
Schedule 6 – Layout Diagram 101
Annexures 102

Northern Gas Pipeline Gas Transportation Agreement

Date _____ 2021

Parties Jemena Northern Gas Pipeline Pty Ltd (ACN 607 928 790) of 567 Collins Street, Melbourne Victoria 3000 (Transporter)

[Insert Shipper name] (ABN [insert]) of [Insert address] (Shipper)

Background

- A. The Shipper proposes to transport Gas via the Pipeline.
- B. The Transporter has offered to supply the Services to the Shipper, and the Shipper has agreed to acquire the Services, on the terms of this agreement.

Operative provisions

1. Definitions

In this agreement:

Aboriginal Land Rights Claim means a traditional land claim as that term is defined under the ALRA, which has not been finally disposed of.

Actual Delivered Quantity or **ADQ** means the actual quantity of Gas, as allocated and determined by the Transporter in accordance with this agreement, made available and delivered or deemed to be delivered by the Transporter to or on behalf of the Shipper in respect of a Service at a relevant Delivery Point for a Day.

Actual Received Quantity or **ARQ** means the actual quantity of Gas, as allocated and determined by the Transporter in accordance with this agreement, made available and received or deemed to be received by the Transporter from or on behalf of the Shipper in respect of a Service at a relevant Receipt Point for a Day.

Adequate Assurance has the meaning given in clause 30.3(a).

Adjustment Note has the meaning given in the GST Act.

Adjustment Period has the meaning given in clause 20.5(b).

ALRA means the Aboriginal Lands Rights (Northern Territory) Act 1976 (Cth).

Annexure means an annexure for the provision of a Service as annexed to this agreement and any other annexures agreed and executed between the parties, as amended.

Annexure Effective Date means the date on which the Annexure takes effect, as set out in the relevant Annexure.

Annexure Execution Date means the date on which the Annexure is executed, as set out in the relevant Annexure.

Applicable Law means:

- (a) principles of common law or equity applying in Australia;
-

- (b) statutes, regulations, by-laws or other subordinate instruments of the Commonwealth and the States and Territories of Australia or of an Authority;
- (c) the Constitution of the Commonwealth of Australia;
- (d) requirements binding under law;
- (e) mandatory Approvals; and
- (f) guidelines of an Authority that have the force of law,

applicable to a party or the performance by a party of its obligations under this agreement.

Approval means any licence, permit, authorisation, consent, assessment, approval, determination, certificate, accreditation, registration, clearance, permission or the like (as amended or substituted from time to time) that must be obtained or satisfied (as the case may be) in connection with the operation and maintenance of the Pipeline, and the provision of the Services.

As-Available Back Haul Transportation Service has the meaning given in item 2.2 of Schedule 2.

As-Available Forward Haul Transportation Service has the meaning given in item 2.1 of Schedule 2.

As-Available Park and Lend Service has the meaning given in item 3 of Schedule 2.

Associate means, in relation to a person, any Related Body Corporate of that person and any officer, agent, adviser, consultant, contractor or employee of that person or that Related Body Corporate.

Auditor has the meaning given in clause 21(a).

Authorised Overrun Charge has the meaning give in clause 5.7(a)(i).

Authorised Overrun Gas has the meaning given in clause 5.5(c).

Authority means any governmental, semi-governmental or local government authority, administrative or judicial body or tribunal, department, commission, public authority, agency, minister, statutory corporation or instrumentality and includes a stock exchange; whether of Australia or elsewhere, but does not include the Shipper or any representative of the Shipper.

Bank Bill means a bill of exchange (as defined in the Bills of Exchange Act 1909 (Cth)) that has been accepted by a bank authorised under a law of the Commonwealth of Australia or any state to carry on banking business.

Bank Bill Rate means, in respect of a period, the rate (expressed as a yield per centum per annum to maturity rounded upwards, if necessary, to four decimal places) that is quoted at approximately 10:10 am (Sydney time) on page "BBSY" of the Reuters Monitor System on the first day of the relevant period for which the rate is sought, as the average bid rate for Bank Bills that have a tenor in months which is closest to the period, provided that if there is a manifest error in the calculation of the average bid rate or if no average bid rate is so published for Bank Bills of that tenor by about 10.30 am, then the **Bank Bill Rate** will be the bid rate specified by the non-defaulting party, acting reasonably, having regard to the rates otherwise bid for Bank Bills having a tenor as described above at or around that time.

Base Linepack has the meaning given in clause 11.1(a).

Business Day means a day that is not:

- (a) a Saturday or Sunday; or
- (b) a public holiday for Darwin pursuant to the Public Holidays Act (NT).

Business Hours means between 9:00 am and 5:00 pm on a Business Day.

Bilateral Trade means the sale or transfer of Contracted Capacity (including hourly entitlements, imbalance entitlements and other contractual entitlements to use the relevant Contracted Capacity or use it in a given way) by the Shipper to another shipper other than through the Exchange.

Capacity means the quantity of Gas that can be received into and delivered from the Pipeline at specified points (as the context requires), as the Pipeline is configured between those points at the relevant time.

Capacity Trade means the acquisition of Capacity Trade MDQ by the Shipper from a Valid Trading Party.

Capacity Trade MDQ means reserved capacity (including hourly entitlements, imbalance entitlements and other contractual entitlements) on the Pipeline held by a Valid Trading Party that is subject to an Operational Transfer with the Shipper.

Capacity Transfer and Auction Procedures means the procedures published by AEMO directed at the operation and administration of Capacity Auctions and transaction support arrangements.

Carbon Charge means any cost, Loss, fee, expense, penalty, fine, royalty, tax, rate, duty, levy or charge imposed, levied or incurred whether directly or indirectly and including on an accrual basis in respect of any Greenhouse Gas emissions, or in respect of any existing or new trading mechanism or scheme, or any other existing or new mechanism, that has as one of its objectives a reduction in or modification of behaviour in respect of Greenhouse Gas emissions, including any direct or indirect cost of acquiring or failure to surrender any permit, credit or licence which is required in connection with the emission of Greenhouse Gas or any unit (however called) which relates to the amounts of emissions of Greenhouse Gas, and any direct or indirect cost of any relevant activities undertaken for the purposes of reducing or offsetting such emissions but does not include any penalty or fine incurred by the Transporter or its Related Bodies Corporate due to the Wilful Misconduct or negligence of the Transporter or its Related Bodies Corporate.

Change of Control means, with respect to the Shipper, when at any time:

- (a) the persons who immediately prior to that time had Control of the Shipper ceases to have Control of the Shipper; or
- (b) one or more persons who immediately prior to that time did not have Control of the Shipper acquires Control of the Shipper.

Change of Law means:

- (a) any Applicable Law being introduced, amended or repealed in whole or in part;
- (b) the imposition of any Impost which was not previously in force;
- (c) the rate at which any Impost is levied being varied from the previous rate prevailing;
- (d) the basis on which any Impost is levied or calculated being varied from the previous basis on which it was levied or calculated;
- (e) a variation in the interpretation or administration of any Applicable Law by an Authority; or

- (f) a scheme being introduced by any Authority providing for the Transporter to gain or hold any Approval or providing for the Transporter to purchase, hold or surrender any Approval or any such scheme being varied,

except to the extent that such introduction, amendment, repeal, imposition or variation relates to Income Tax, Carbon Charge or GST.

Check Measuring Equipment has the meaning given in clause 14.4(a).

Claim means any claim, action, demand, suit or proceeding (including by way of contribution or indemnity):

- (a) under, arising out of, or in connection with, this agreement;
- (b) arising out of, or in connection with, a Service or either party's conduct prior to the Execution Date; or
- (c) otherwise at law, including in contract, in tort, for specific performance or for restitution.

Compressor Maintenance Event means the maintenance, upgrade or repair of any of the compressors on the Pipeline or the facilities associated with such compressors, which a transporter, using Good Industry Practice, must perform in order to prevent or limit:

- (a) loss or damage to the Pipeline or the facilities associated with such compressors; or
- (b) major disruptions to the Services.

Confidential Information means all confidential, non-public or proprietary information regardless of how the information is stored or delivered, exchanged between the parties or their respective Associates in connection with this agreement, relating to the business, technology or other affairs of a party or its Related Bodies Corporate (or in the case of the Transporter, of any shareholders of SGSP (Australia) Assets Pty Ltd and their respective Associates) including:

- (a) this agreement;
- (b) information provided by:
 - (i) the Shipper or any of its Associates to the Transporter or any of its Associates; or
 - (ii) the Transporter or any of its Associates to the Shipper or any of its Associates,

in connection with this agreement whether prior to or after the Execution Date;

- (c) all trade secrets, financial, marketing, systems, technology, ideas, concepts, know how, techniques, designs, specifications, blueprints, tracings, diagrams, models, functions, capabilities and designs (including without limitation, computer software, manufacturing processes or other information embodied in drawings or specifications), intellectual property or any other information which is indicated to be subject to an obligation of confidence, owned or used by or licensed to a party;
- (c) information of the kind referred to in section 275(1) of the PPSA; and
- (d) any other information in connection with the Services which the Transporter is required to keep confidential in complying with any Applicable Law,

but does not include any such information that:

- (f) is in, or becomes part of, the public domain other than through a breach of this agreement or an obligation of confidence owed to or by the person providing the Confidential Information;
- (a) a party can prove by 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); or
- (b) a party acquires from a source other than the other party (or any Associate of that other party) where the source is entitled to disclose it.

Confirmed Delivery Nomination means the quantity of Gas that the Transporter confirms, will be scheduled for delivery to a Delivery Point in respect of a Service.

Confirmed Nomination has the meaning given in clause 6.4(b)(ii) (as applicable).

Confirmed Receipt Nomination means the quantity of Gas that the Transporter confirms, will be scheduled for receipt at a Receipt Point in respect of a Service.

Connection Works is defined in clause 32.4.

Contracted Capacity means that part of the Capacity that has been reserved by the Shipper under this agreement.

Contract Tolerance means in relation to a Service, the contract tolerance, expressed as a percentage, as specified in the relevant Annexure and applied to a Pipeline Shipper's Entitled Quantity.

Contract Year means a period of 12 consecutive Months commencing at 6:00 am AEST on 1 January and ending immediately prior to 6:00 am AEST on 1 January of the next year, except that:

- (a) the first Contract Year will commence at 6:00 am AEST on the Service Start Date for the Firm Forward Haul Transportation Service and will end immediately prior to 6:00 am AEST on the following 1 January; and
- (b) the final Contract Year will end at the expiry of the End Date.

Contractual MDQ means, in respect of a Path under a Service, the fixed maximum quantity of Gas (in GJ) that the Transporter is obliged to reserve in respect of that Path under this document for the account of the Shipper each Day, inclusive of System Use Gas, and any Gas for correcting Imbalances but excluding Purchased Capacity. The Contractual MDQ for any Day other than twenty-four (24) hours in length will be the proportion of that amount that the length of the day bears to twenty-four (24) hours.

Control in respect of an entity has the meaning given in section 50AA of the Corporations Act and **Controlled** has a similar meaning.

Corporations Act means the Corporations Act 2001 (Cth).

CPI means the Consumer Price Index published by the Australian Bureau of Statistics in Catalogue 6401.0-Table 1, Consumer Price Index - All Groups - Weighted Average of Eight Capital Cities or if that index is suspended or discontinued, the index substituted for it by the Australian Bureau of Statistics.

CPI_b means, in respect of a Service, the CPI_b set out in the Annexure for that Service.

CPI_r means, in respect of a Service, the CPI_r set out in the Annexure for that Service.

Cumulative Imbalance has the meaning given in clause 9.2(a)(ii).

Cure Period has the meaning given in clause 22.2(c) as amended by clause 22.2(g).

Cure Plan has the meaning given in clause 22.2(e).

Curtailement means a reduction in or an interruption to the provision of a Service, and Curtail and Curtailed have a corresponding meaning.

Customer Portal means the Transporter's customer interface system, PypIT, or such other system as notified to the Shipper by the Transporter.

Daily Imbalance means the amount calculated in accordance with clause 9.1.

Daily Nomination has the meaning given in clause 6.4(b).

Date of Service Commencement means the date on which the Pipeline is completed and ready to provide the Services, as notified by the Transporter to the Shipper in accordance with clause 4.1(b).

Day means the 24 hour period starting at 6:00 am AEST on a day and ending at 05:59 am AEST on the following day.

Default Notice has the meaning given in clause 22.2(a).

Defaulting Party has the meaning given in clause 22.1.

Delay Event means a delay event (as described in the Capacity Transfer and Auction Timetable in the Capacity Transfer and Auction Procedures) that affects AEMO's ability to comply with the Capacity Transfer and Auction Timetable.

Delivery Point means, in respect of a Service, the delivery points on the Pipeline listed in the relevant Annexure at which Gas is delivered or deemed to be delivered under this agreement through the Pipeline to, or for the account of, the Shipper

Dispute means any dispute, controversy or Claim under, arising out of or in connection with this agreement or the breach, termination or claimed invalidity of this agreement.

Downstream Shutdown has the meaning given in clause 12.4.

Easement means any easements, subleases, licences or other land access arrangements in respect of the Pipeline right of way and vested in the Transporter or a Related Body Corporate of the Transporter.

End Date means the date which is the latest Service End Date (as set out in an Annexure) unless this agreement is terminated earlier in accordance with its terms.

Entitled Quantity means:

- (a) in the case of Firm Forward Haul Transportation Service or Firm Back Haul Transportation Service, the Shipper's Operational MDQ for each Path under that Service;
- (b) in the case of As-Available Forward Haul Transportation Service, As-Available Back Haul Transportation Service and As-Available Park and Lend Service, the Shipper's Confirmed Delivery Nomination for each Path under that Service; and
- (c) for any Other Service the entitled quantity (if any) specified in the Annexure for each Path under that Service.

Event of Default has the meaning given in clause 22.1.

Event of Insolvency means:

- (a) a controller (as defined in section 9 of the Corporations Act), administrator or similar officer is appointed in respect of a person or any asset of a person;
- (b) a liquidator or provisional liquidator is appointed in respect of a person;
- (c) any application (not withdrawn or dismissed within 7 days) is made to a court for an order, an order is made, a meeting is convened or a resolution is passed, for the purpose of:
 - (i) appointing a person referred to in paragraph (a) or (b) of this definition;
 - (ii) winding up or deregistering a person; or
 - (iii) proposing or implementing a scheme of arrangement, other than with the prior approval of the Shipper under a solvent scheme of arrangement pursuant to Part 5.1 of the Corporations Act;
- (d) any application (not withdrawn or dismissed within 7 days) is made to a court for an order, a meeting is convened, a resolution is passed or any negotiations are commenced, for the purpose of implementing or agreeing:
 - (i) a moratorium of any debts of a person;
 - (ii) any other assignment, composition or arrangement (formal or informal) with a person's creditors; or
 - (iii) any similar proceeding or arrangement by which the assets of a person are subjected conditionally or unconditionally to the control of that person's creditors or a trustee,or any agreement or other arrangement of the type referred to in this paragraph (d) is ordered, declared or agreed to;
- (e) as a result of the operation of section 459F(1) of the Corporations Act, a person is taken to have failed to comply with a statutory demand (as defined in the Corporations Act);
- (f) any writ of execution, garnishee order, mareva injunction or similar order, attachment or other process is made, levied or issued against or in relation to any asset of a person;
- (g) anything analogous to anything referred to in paragraphs (a) to (f) (inclusive) of this definition, or which has a substantially similar effect, occurs with respect to a person under any law; or
- (h) a person is, or admits in writing that it is, or is declared to be, or is taken under any Applicable Law to be (for any purpose), insolvent or unable to pay its debts,

but in respect of the Transporter, an Event of Insolvency does not include any internal restructuring or solvent reorganisation of (or any action taken to restructure or reorganise) any member or members of the SGSPAA Group.

Exchange means the gas trading exchange established by AEMO under the National Gas Law and Part 22 of the National Gas Rules.

Exchange Trade means the acquisition of capacity on the Pipeline through the Exchange.

Excluded Loss means any:

- (a) loss of revenue or profit or anticipated loss of revenue or profit;
- (b) loss of reputation;
- (c) loss of business opportunity or goodwill; special or punitive damages; or
- (d) any indirect or consequential loss.

Execution Date means the date this agreement is executed by both parties.

Expert Determination Agreement means the agreement in the form set out in Schedule 4.

Facility Use Gas has the meaning given in the NRSA.

Financial Default means:

- (a) any default by a party in the payment of any amount due and payable to the other party under this agreement;
- (b) a party has experienced or experiences an Event of Insolvency; or
- (c) where the Shipper fails to provide or maintain on-going credit support in accordance with clause 30.

Firm Back Haul Transportation Service has the meaning given in Item 1.2 of Schedule 2.

Firm Forward Haul Transportation Service has the meaning given in Item 1.1 of Schedule 2.

Firm Tariff means the Tariff for the Firm Forward Haul Transportation Service as set out in the Annexure for that Service and as adjusted in accordance with this agreement.

Force Majeure Event means:

- (a) any event or circumstance, or a combination of events and/or circumstances that:
 - (i) causes or results in the prevention or delay of a party from performing any of its obligations under this agreement; and
 - (ii) is beyond the reasonable control of that party and could not, or the effects of that event or circumstance, or that combination of events and/or circumstances, could not, have been prevented, delayed, overcome or remedied by that party using Good Industry Practice,

and, provided the event or circumstance, or combination of events and/or circumstances meets the foregoing criteria, includes:

- (iii) an act of God;
- (iv) a strike, lockout, ban or other labour difficulty, act of public enemy, war (whether declared or undeclared), terrorist act, blockade, revolution, riot, insurrection, malicious damage or civil commotion;
- (v) landslide, cyclone, storm, flood, washout, fire, earthquake, explosion (including radioactive and toxic explosion), tidal wave, epidemic or quarantine;
- (vi) an order of any court or tribunal;

- (vii) in relation to either party, any failure of any third party to perform its obligations to such party, where such failure is caused by any event or circumstance that, if such event or circumstance had affected a party to this agreement, would have been a Force Majeure Event under this agreement; and
- (viii) an embargo, unavailability or shortage of essential equipment, chemicals or other materials, goods (other than Gas), labour or services, lack of transportation or communication,

provided that, notwithstanding paragraph (a) above, the following events or circumstances will not constitute a Force Majeure Event:

- (b) the failure or inability of Shipper or a person supplying Gas at or upstream of the Receipt Point to provide Gas (for any reason) at a Receipt Point for transportation under this agreement (including a failure or inability to provide Gas which meets the Gas Specification);
- (c) the inability of Shipper or a person consuming the Gas at or downstream of the Delivery Point to take Gas (for any reason);
- (d) financial hardship or the inability of a party, and/or any Related Body Corporate of a party, to make a profit or achieve a satisfactory rate of return resulting from performance or failure to perform its obligations under this agreement;
- (e) breakdown or failure of equipment caused by normal wear and tear, or failure to properly maintain equipment or stock of spares;
- (f) changes in market conditions for transportation, purchase or sale of Gas; and
- (g) failure or inability of either party to pay any sum due and payable under this agreement.

Gas means a substance that:

- (a) is mostly methane;
- (b) is in a gaseous state at a temperature of 15 degrees Celsius and at a pressure of 101.325 kPa; and
- (c) consists of naturally occurring hydrocarbons or a naturally occurring mixture of hydrocarbons and non-hydrocarbons.

Gas Specification means the gas specifications set out in Schedule 5.

Gas Transportation Agreement means any gas transportation agreement (including any OTSA) entered into between the Transporter and any Pipeline Shipper or any other shipper or any Secondary Shipper for the provision of services on the Pipeline.

General Liability Limitation has the meaning given in clause 27.2(a).

Good Industry Practice means the exercise of that degree of skill, diligence, prudence and foresight reasonably and ordinarily expected from a skilled, competent and experienced person acting in good faith and carrying out the same type of activity under the same or similar circumstances in a similar location and acting generally in accordance with Applicable Law, applicable Approvals and good and prudent management and operating methods, practices and standards, including Australian Standard AS 2885 (Pipelines – gas and liquid petroleum).

Grantor has the meaning given in clause 33(a).

Greenhouse Gas means a greenhouse gas as defined by the National Greenhouse and Energy Reporting Act 2007 (Cth).

GST includes amounts defined as "GST" under the GST law and amounts payable on account of a notional liability under Division 177 of the GST Act.

GST Act means the A New Tax System (Goods and Services Tax) Act 1999 (Cth).

GST law has the meaning given in the GST Act.

Guarantor has the meaning given in clause 30.3(a).

Heritage and Sacred Site Legislation means any law relating to the protection or preservation of places, sites and objects of Aboriginal or cultural heritage value from time to time, including:

- (a) the Heritage Act (NT);
- (b) the ALRA;
- (c) the Northern Territory Aboriginal Sacred Sites Act (NT);
- (d) the Aboriginal Cultural Heritage Act 2003 (Qld); and
- (e) the Aboriginal and Torres Strait Islander Heritage Protection Act 1984 (Cth).

Heritage or Sacred Site Claim means a claim made under any Heritage and Sacred Site Legislation.

Imbalance Charge has the meaning given in clause 9.6(a).

Imbalance Trading Charge means the imbalance trading charge for each Service as set out in the relevant Annexure.

Income Tax has the same meaning given in section 995-1 of the Income Tax Assessment Act 1997 (Cth).

Impost means any impost, deduction, withholding of any nature, royalty (whether based on value, profit or otherwise), tax, excise, levy, fee, payment, rate, duty, charge, liability or cost levied, charged or imposed by any Authority or other person or body authorised by law to impose that Impost, whatever it is called, and whatever the reason for imposing or levying it, together with any interest, penalty, charge, fee or other amount imposed or made on, or in connection with, any of the foregoing.

Independent means:

- (a) in respect of a natural person, a person who has not at any time in the previous two years been an auditor, employee, director or contractor of either party or any of their respective Related Bodies Corporate and who does not directly hold any significant financial interest within either party or any of their respective Related Bodies Corporate; and
- (b) in respect of any other entity (including a partnership), an entity:
 - (i) that is not the current auditor of a party or its Related Bodies Corporate; and
 - (ii) whose senior personnel directly engaged in the relevant role for the purposes of this agreement are not persons of the type described in paragraph (a) of this definition.

Interest means interest calculated with monthly resets and compounded monthly.

Intra-Day Nomination has the meaning given in clause 6.5(a).

Ipsa Facto Stay means any limitation on enforcement of rights or self-executing provisions in a contract, agreement or arrangement pursuant to sections 415D, 415F, 415FA, 434J, 434J, 434L, 434LA, 451E, 451G or 451GA of the Corporations Act.

KP means the surveyed distance along the main line or a lateral of the Pipeline, where zero kilometres represents:

- (a) the Warrego Receipt Point, in respect of the Pipeline; or
- (b) the intersection of the Pipeline with the lateral, in respect of a lateral.

Large Expansion has the meaning given in Item 1 of Schedule 1.

Letter of Credit Collateral has the meaning given in clause 30.3(a)(ii).

Line Pack Cost means the Transporter's reasonable cost per GJ per Day of procuring and transporting a quantity of Gas equal to an OFO Shortfall Amount to the Receipt Point.

Loss means:

- (a) any cost, expense, loss, damage or liability; and
- (b) without being limited by paragraph (a) and only to the extent not prohibited by law, any fine or penalty,

whether direct, indirect, consequential, present, future, fixed, unascertained, actual or contingent (including any Excluded Loss).

MAOP means the maximum allowable operating pressure of the Pipeline as determined by the Transporter in accordance with Good Industry Practice, which as at the Execution Date is 15,320 kPa_g.

MDQ Increase Proposal has the meaning given in Schedule 3, item 1.2(a).

Measuring Equipment means all equipment used to measure any combination of the physical quantity and quality of Gas entering the Pipeline at a Receipt Point or exiting the Pipeline at a Delivery Point and all other ancillary equipment required to compute derived variables and to produce reports at that Receipt Point or Delivery Point and to test and maintain the reliability and accuracy of that equipment (including any measurement facilities or equipment that are or could be used for proving, testing and validating the equipment).

Measurement Manual is the document of that name published from time to time on the Website.

MHQ has the meaning given in clause 7.3(b).

Minimum Service Charge means the minimum charge for each Path of a Service for each Month as specified in an Annexure and which is payable even if that Service is not requested or used by the Shipper.

Month means a period commencing at 6:00 am AEST on the first Day of a month and ending immediately prior to 6:00 am AEST on the first Day of the next month, except that;

- (a) the first Month will commence at 6:00 am AEST on the Service Start Date for the Firm Forward Haul Transportation Service and end immediately prior to 6:00 am AEST on the first Day of the next month or at the expiry of the Day this agreement

terminates or expires in accordance with its terms (if this agreement terminates within one month of the Service Start Date for the Firm Forward Haul Transportation Service); and

- (b) the final Month will commence at 6:00 am AEST on the first Day of the month in which the End Date or earlier termination of this agreement occurs (or the Service Start Date for the Firm Forward Haul Transportation Service if this agreement terminates within one month of the Service Start Date for the Firm Forward Haul Transportation Service) and will end at the expiry of the last Day of the Services Term

Monthly Invoice has the meaning given in clause 20.1.

National Gas Law means the schedule to the National Gas (Northern Territory) Act, National Gas (South Australia) Act 2008 (SA) as in force in Victoria under the National Gas (Victoria) Act 2008 (Vic) and in New South Wales under the National Gas (New South Wales) Act 2008 (NSW).

National Gas Rules has the meaning given to it in the National Gas Law.

Native Title Claim means a claim in an application for an approved determination of native title recognised by the NTA.

Nitrogen Removal Skid means the nitrogen removal skid located before the start of the Pipeline where the inlet pipeline crosses the boundary of the Jemena compound at Warrego including all associated equipment including:

- (a) the NRSA Receipt Point and the NRSA Delivery Point and their respective facilities; and
- (b) all ancillary equipment (including the booster compressors) owned and/or, controlled by the Service Provider including metering and gas quality equipment,

but excluding the Pipeline.

Nitrogen Removal Services means the nitrogen removal services provided pursuant to the NRSA.

Nomination has the meaning given clause 6.2(a).

Non-Defaulting Party has the meaning given in clause 22.2(a).

Non-Financial Default means a party's failure to perform or comply with any of its material obligations under this agreement, but does not include a Financial Default.

NTA means the Native Title Act 1993 (Cth).

NRSA means the document entitled 'Nitrogen Removal Services Agreement' between the Shipper (as the 'Customer') and the Transporter (as the 'Service Provider') dated on or about the date of this agreement.

NRSA Delivery Point has the meaning given in the NRSA.

NRSA Gas Specification has the meaning given in the NRSA.

NRSA Receipt Point has the meaning given in the NRSA and is shown on the layout diagram in Schedule 6.

Odourising Charge means the odourising charges set out in the Annexures.

Off-Specification Gas means Gas that fails to meet the Gas Specification.

OFO Shortfall Amount has the meaning given in clause 8.6(b).

Operational Flow Order has the meaning given in clause 8.5(c).

Operational MDQ means, in respect of a Path under a Service, for each Day:

- (a) the Contractual MDQ; minus
- (b) the volume of the Shipper's Contracted Capacity for the Day that is sold through a Bilateral Trade or Exchange Trade; plus
- (c) Purchased Capacity for the Day.

The Operational MDQ for any Day other than twenty-four (24) hours in length will be the proportion of that amount that the length of the day bears to twenty-four (24) hours.

Operational Transfer has the meaning given to it in the National Gas Law.

Other Service has the meaning given in clause 5.1(g).

Other Shipper means any person that is a party to a Gas Transportation Agreement, other than the Shipper or the Transporter.

OTSA means any operational transportation services agreement entered into between the Transporter and the Shipper or any Secondary Shipper.

Overdue Rate means, in respect of a period, a rate equivalent to 2% per annum above the Bank Bill Rate for that period.

Overrun Gas has the meaning given in clause 5.5(a).

Path means a section of the Pipeline between a single Receipt Point and a single Delivery Point through which Gas is transported or stored for, or on account of the Shipper under this agreement, (whether actually or nominally as the case may be) as specified in item 6 of each Annexure.

Permitted Curtailment has the meaning given in 16.1(b).

Pipeline means the gas transmission pipeline that the Transporter proposes to construct and operate to connect gas transportation facilities in the Northern Territory to existing gas transportation facilities in or around Mt Isa and includes all associated facilities, including:

- (a) Receipt Points and Delivery Points and their respective facilities;
- (b) all ancillary infrastructure owned and/or, controlled by the Transporter including mainline valves, scraper stations, receipt and delivery stations with filtering, metering and gas quality equipment, cathodic protection, communication facilities, control room and access tracks,

but excluding:

- (c) all facilities upstream and downstream of those facilities not owned or controlled by the Transporter or its Related Bodies Corporate; and
- (d) the Nitrogen Removal Skid.

Pipeline Charges means the Tariffs and all charges payable by the Shipper to the Transporter in accordance with this agreement.

Pipeline Shipper means a person with whom the Transporter has agreed to provide a service on the Pipeline (including a Secondary Shipper), and, where the context requires, includes the Shipper.

Planned Maintenance Schedule has the meaning given in clause 16.6(a).

PPSA means the Personal Property Securities Act 2009 (Cth).

PPSA Security Interest means a "security interest" as defined in the PPSA.

Primary Facility Agreement has the meaning given to it in the National Gas Rules.

Primary Transportation Capacity has the meaning given to it in the National Gas Rules.

Priority of Service means the order that the supply of Gas will be ceased or reduced in accordance with any Curtailment or during a Force Majeure Event as set out in item 4 of Schedule 2.

Proposed Cure Plan has the meaning given in clause 22.2(d).

Proposed Reverse Flow Variation has the meaning given in clause 32.6(a).

Purchased Capacity means Capacity Trade MDQ, confirmed and validated by the Transporter in accordance with the Capacity Trade and Auction Procedures, that the Shipper has acquired pursuant to an Operational Transfer.

PypIT has the meaning given in clause 6.2(a).

Quarter means a period of 3 calendar months commencing on the first day of July, October, January or April and **Quarterly** has a corresponding meaning.

Receipt Point means in respect of a Service, the Receipt Point listed in the relevant Annexure at which the Transporter receives Gas, or is deemed to have received Gas onto the Pipeline from, or on account of, the Shipper.

Receiver includes a receiver or receiver and manager.

Reference Tariff means the then current tariff for the relevant Service, which is made available on the Website from time to time.

Related Body Corporate has the meaning given in the Corporations Act.

RiT Expansion:

- (a) any expansion of the Capacity of the Pipeline; or
- (b) any extension of the Pipeline,

which is not a Large Expansion.

Secondary Shipper means a shipper that holds Contracted Capacity pursuant to an Exchange Trade or a Bilateral Trade.

Secured Party has the meaning given in clause 33(a).

Service means a type of service listed in clause 5.1 as more fully detailed in Schedule 2.

Service End Date means, in respect of a Service, the date that the Service ends, as set out in the Annexure for that Service must not be after the End Date.

Service Provider means the party identified as the 'Service Provider' under the NRSA.

Service Start Date means, in respect of a Service, the date that the Service commences, as set out in the Annexure for that Service.

Services Term means the period of time determined under clause 4.2.

SGSPAA Group means SGSP (Australia) Assets Pty Ltd and its wholly owned subsidiaries.

Shipper Expansion Capacity Charge or **SECC** means the Shipper Expansion Capacity Charge for each Service as set out in the relevant Annexure.

Shipper Specific Facility Charge means with respect to a Service, the Shipper Specific Facility Charge as defined under clause 32.1(b)(iii) and as set out in the relevant Annexure.

Shipper's Request has the meaning given in clause 32.2(a).

Shutdown means an Upstream Shutdown or a Downstream Shutdown, as the context requires.

Standardisation Cost Charge means the charge imposed by the Transporter to recover standardisation costs pursuant to rule 634 of the National Gas Rules, as set out and calculated in accordance with the schedule published on the Transporter's Website and as referred to in clause 7A(f) of this agreement.

Suspension Period has the meaning given in clause 15(d).

System Use Gas means the quantities of Gas:

- (a) used by the Transporter for the purposes of operating the Pipeline; and
- (b) otherwise lost or unaccounted for in connection with the normal operation of the Pipeline by the Transporter; and
- (c) recorded as lost or gained due to metering error,

but does not include:

- (d) Base Linepack; or
- (e) Gas lost through the Wilful Misconduct or negligence of the Transporter or breach by the Transporter of its obligations under this agreement.

Tariff means, in relation to a Service, the tariff applicable to that Service, as set out in the relevant Annexure (as adjusted in accordance with this agreement). In the case of the Firm Forward Haul Transportation Service, the Tariff is the Total Firm Tariff.

Tax Invoice has the meaning given in the GST Act.

Third Party Works means works conducted on, at or adjacent to the Pipeline which result, or are likely to result, in any reduction in the Capacity and which is caused by, or effected to permit:

- (a) the expansion of Capacity (through an RiT Expansion or a Large Expansion) to provide gas transportation services utilising the Pipeline; or
- (b) the connection of additional facilities (including tie-in of other pipelines) to the Pipeline,

in relation to a Gas Transportation Agreement.

Total Firm Tariff means the total of the Firm Tariff and Shipper Expansion Capacity Charge for the Firm Forward Haul Transportation Service as set out in the Annexure for that Service.

Transportation Charge means the Transportation Charge in respect of a Service calculated in accordance with the relevant Annexure.

Unauthorised Overrun Charge has the meaning given in clauses 5.7(a)(ii) and 5.7(a)(iii).

Upgrade Works has the meaning given in clause 32.5(a)(ii).

Upstream Shutdown has the meaning given in clause 12.4.

Valid Trading Party means:

- (a) a user of the Pipeline that is party to an OTSA; or
- (b) such other user of the Pipeline approved by the Transporter (which approval is not to be unreasonably withheld).

Website means the Transporter's website at www.jemena.com.au, or as otherwise advised by the Transporter from time to time.

Week means a period of seven (7) consecutive Days commencing at 6:00 am AEST on a Saturday.

Weekly Nomination has the meaning given in clause 6.3(a).

Wilful Misconduct means any act or failure to act taken or not taken with an intentional disregard of foreseeable, harmful and avoidable consequences, but does not include:

- (a) an error of judgment, mistake, act or omission (negligent or not) which is made, done or omitted to be done in good faith; or
- (b) an act or omission done or omitted to be done at the express instruction or with the express agreement of the other party.

2. General rules of interpretation

2.1 Interpretation

In this agreement:

- (a) **(headings)**: headings (including any headings at the beginning of subclauses) are for convenience only and do not affect interpretation;

and unless the context otherwise requires:

- (b) **(count and gender)**: a word importing the singular includes the plural (and vice versa), and a word indicating a gender includes every other gender;
- (c) **(cross references)**: a reference to:
 - (i) a party, clause, paragraph, Schedule, Exhibit, Attachment or Annexure is a reference to a party, clause, paragraph, Schedule, Exhibit, Attachment or Annexure of or to this agreement; and
 - (ii) this agreement includes all Schedules, Exhibits, Attachments or Annexures to it;

- (d) **(document as amended)**: a reference to a document (including this agreement) is to that document as updated, varied, novated, ratified or replaced from time to time;
- (e) **(party)**: a reference to a party includes that party's executors, administrators, successors and permitted assigns, including any persons taking part by way of novation;
- (f) **(person)**: a reference to a "person" includes an individual, the estate of an individual, a corporation, an Authority, an association or a joint venture (whether incorporated or unincorporated), a partnership and a trust;
- (g) **(legislation)**: a reference to legislation includes its delegated legislation and a reference to such legislation or delegated legislation or a provision of either includes consolidations, amendments, re-enactments and replacements;
- (h) **(definitions)**: if a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (i) **(include)**: "include", "includes" and "including" will be read as if followed by the phrase "(without limitation)";
- (j) **(or)**: the meaning of "or" will be that of the inclusive, being one, some or all of a number of possibilities;
- (k) **(information)**: a reference to information includes information, representations, statements, data, samples, calculations, assumptions, deductions, determinations, drawings, design specifications, models, plans and other documents in all forms including the electronic form in which it was generated;
- (l) **(\$)**: a reference to "\$", AUD or dollar is to Australian currency;
- (m) **(time)**: except where expressly stated otherwise, a reference to time is a reference to time in Darwin, Australia;
- (n) **(rights)**: a reference to a right includes any benefit, remedy, function, discretion, authority or power;
- (o) **(may)**: the term "may", when used in the context of a power, right or remedy exercisable by a party, means that that party can exercise that power, right or remedy in its absolute and unfettered discretion and has no obligation to do so;
- (p) **(replacement bodies)**: where there is a reference to an Authority, institute or association or other body referred to in this agreement which:
 - (i) is reconstituted, renamed or replaced or if its powers or functions are transferred to, or assumed by, another entity, this agreement is deemed to refer to that other entity; or
 - (ii) ceases to exist, this agreement is deemed to refer to that new entity which serves substantially the same purpose or object as the former entity;
- (q) **(units)**: except as expressly provided for in this agreement, terminology used to describe units is in accordance with Australian Standard AS1000-1998 "The International System of Units (SI) and its Application" and the National Measurement Act 1960 (Cth) and Australian Standard AS1376-1996 "Conversion Factors";
- (r) **(day)**: a reference to **day** is a reference to a calendar day;

- (s) **(week)**: a reference to a **week** is a reference to a period of 7 consecutive days;
- (t) **(month)**: a reference to **month** is a reference to a calendar month; and
- (u) **(no bias against draftsman)**: each provision will be interpreted without disadvantage to the party who (or whose representative) drafted or proffered that provision.

2.2 Rounding

- (a) **(Quantity of Gas rounded to nearest GJ)** Any numerical calculation of a quantity of Gas must be rounded to the nearest GJ by being rounded up if the first decimal place is greater than or equal to 5, and rounded down if the first decimal place is less than 5.
- (b) **(AUD per GJ rounded to 4 decimal places)** Any numerical calculation of the AUD amount per GJ used for the determination of Pipeline Charges and other payments, will be rounded to 4 decimal places by being rounded up, if the decimal place following the fourth decimal place is greater than or equal to 5, and rounded down, if the decimal place following the fourth decimal place is less than 5.
- (c) **(Other amounts rounded to 4 decimal places)** Subject to clauses 2.2(a) and 2.2(b), any numerical calculation, not the subject of clause 2.2(d), that results in more than four decimal places must be rounded to four decimal places by being rounded up, if the decimal place following the fourth decimal place is greater than or equal to 5, and rounded down, if the decimal place following the fourth decimal place is less than 5.
- (d) **(Amounts payable rounded to nearest cent)** After first applying clauses 2.2(a), 2.2(b) and 2.2(c) any individual amount payable on an invoice or bill issued pursuant to this agreement must be rounded to the nearest cent by being rounded up if the next decimal place is greater than or equal to 5, and rounded down if the next decimal place is less than 5.

2.3 Contract Years of less than 365 days

Any quantity expressed in this agreement which is applied to or by reference to a Contract Year will in the case of a Contract Year comprising less than 365 days (or in the case of a leap year, 366 days) be reduced on a pro rata basis based on the number of days in that Contract Year.

2.4 Standards

A reference to any standard, code, guideline, specification, policy, procedure, directive, circular, code of practice or requirement relating to or affecting the Pipeline or the Services, is a reference to the version last published from time to time.

2.5 Action without delay

Unless there is a provision in this agreement which specifies a period of time in which something must be done by the parties, all things must be done without undue delay.

2.6 Provisions limiting or excluding liability, rights or obligations

- (a) A right of the Shipper or an obligation of the Transporter under this agreement will not limit or exclude any other right of the Shipper or obligation of the Transporter under this agreement unless expressly stated.

- (b) Any provision of this agreement which seeks, either expressly or by implication, to limit or exclude any liability of a party is to be construed as doing so only to the extent permitted by law.

2.7 Relationship of the parties

- (a) Nothing in this agreement:
 - (i) **(no additional relationship)**: creates a partnership, a joint venture or a fiduciary, employment or agency relationship, between the Shipper and the Transporter; or
 - (ii) **(no good faith)**: imposes any duty of good faith on the Shipper or the Transporter (unless otherwise expressly provided).
- (b) No party has the authority to:
 - (i) **(no pledge of credit)**: pledge, or purport to pledge, the credit of the other party; or
 - (ii) **(no warranties, representations or undertakings)**: make or give (or purport to make or give) any representations, warranties or undertakings for or on behalf of the other party.

2.8 Reasonable endeavours of a party

Any statement in this agreement providing that a party will use or exercise "reasonable endeavours" in relation to an outcome, means that party:

- (a) **(relevant steps)**: will take steps to bring about the relevant outcome so far as it is reasonably able to do so, including having regard to its resources and other commercial interests and responsibilities; and
- (b) **(no guarantee)**: does not guarantee the relevant outcome will be brought about.

3. Rolled in tariff principles

- (a) Following each RiT Expansion, the Transporter will apply the 'rolled in tariff' principles (set out in Schedule 1) to calculate or recalculate the Firm Tariff, Shipper Expansion Capacity Charge and Total Firm Tariff and the Transporter will notify the Shipper of the revised Firm Tariff, Shipper Expansion Capacity Charge and Total Firm Tariff.
- (b) The relevant Annexures will be amended to reflect the revised Firm Tariff, Shipper Expansion Capacity Charge and Total Firm Tariff.

4. Term of agreement

4.1 Term of this agreement

- (a) This agreement commences on the Execution Date and unless terminated earlier in accordance with its terms, ends on the End Date.
- (b) Within 30 days following the End Date or earlier termination of this agreement, the Transporter must carry out a final reconciliation of the accounts and issue a final invoice and the provisions of clause 20.8 will apply in relation to the issuing and payment of this final invoice.

4.2 Services Term

The Services Term commences at 6:00 am on the Service Start Date and ends immediately prior to 6:00 am on the End Date or such earlier date upon which termination of this agreement takes effect.

5. Services

5.1 Types of gas transportation services on Pipeline

The Transporter may provide any of the following types of Services on the Pipeline:

- (a) Firm Forward Haul Transportation Service;
- (b) As-Available Forward Haul Transportation Service;
- (c) Firm Back Haul Transportation Service;
- (d) As-Available Back Haul Transportation Service;
- (e) As-Available Park and Lend Service
- (f) Capacity Trade service pursuant to clause 7B; and
- (g) any other type of service that the parties agree that the Transporter will provide to the Shipper as specified in an Annexure (**Other Service**).

5.2 Provision of Services under this agreement

- (a) The Transporter will provide the Services to the Shipper during the Services Term in accordance with this agreement (including the Annexures).
- (b) The obligations and necessary details, conditions and requirements which are specific to each Service will be set out in this agreement (including the relevant Annexure).
- (c) The parties acknowledge that:
 - (i) a separate Annexure will be executed in respect of each new Service after the Execution Date; and
 - (ii) an amended Annexure will be executed in respect of changes to any existing Services.
- (d) Subject to the terms of this agreement, the Transporter must commence the provision of each Service on the Service Start Date and provide the Service until the Service End Date.

5.3 Operations manual

- (a) The Transporter must develop, maintain and publish on the Website, a Pipeline operations manual consistent with the terms and conditions of this agreement, setting out the administrative procedures and forms necessary or convenient for the conduct of the parties.
- (b) In the event of any inconsistencies between the operations manual and this agreement, this agreement will prevail.

5.4 Maximum Daily Quantity

In respect of a Path, the Transporter is not obliged on any Day to:

- (a) receive at the Receipt Point (inclusive of any Gas for correcting Daily Imbalances and System Use Gas); or
- (b) deliver at the Delivery Point,

a quantity of Gas that is greater than the Operational MDQ for that Path.

5.5 Overrun Gas

- (a) An overrun occurs when:
 - (i) in the case of **Firm Forward Haul Transportation Service**, the Actual Delivered Quantity is in excess of the lesser of the Operational MDQ for that Path and the quantity specified in an Operational Flow Order for that Path (if any);
 - (ii) in the case of **Firm Back Haul Transportation Service**, the Actual Delivered Quantity is in excess of the lesser of the Operational MDQ for that Path and the quantity specified in an Operational Flow Order for that Path (if any);
 - (iii) in the case of **As-Available Forward Haul Transportation Service** and, **As-Available Back Haul Transportation Service**, the Actual Delivered Quantity along a Path is in excess of the lesser of the Confirmed Delivery Nomination for that Path and the quantity specified in an Operational Flow Order for that Path (if any); or
 - (iv) in the case of any Other Service, as specified in the Annexure for that Other Service,

(Overrun Gas).

- (b) Overrun Gas for each Path under each Service will be calculated without reference to other Paths or Services. If the Actual Delivered Quantity of Gas along a Path is less than:
 - (i) the Operational MDQ for that Path, in the case of Firm Forward Haul Transportation Services or Firm Back Haul Transportation Services; or
 - (ii) the Confirmed Delivery Nomination for that Path, in the case of As-Available Forward Haul Transportation Services or As-Available Back Haul Transportation Services

the Overrun Gas for that Path will be 0 GJ and will not reduce the Overrun Gas for other Paths.

Example calculation (for illustrative purposes only):

A Pipeline Shipper has a Firm Forward Haul Transportation Service with an Operational MDQ of 1000 GJ/d on Path 1 and an Operational MDQ of 2000 GJ/d on Path 2. If the Pipeline Shipper flows 1200 GJ on Path 1 and 1800 GJ on Path 2 on a certain Day, the Transporter will calculate the extent of the Shipper's Overrun Gas as follows:

- 200 GJ Overrun Gas for Path 1; plus

- 0 GJ Overrun Gas for Path 2.

Therefore the total Overrun Gas, invoiced in accordance with clause 20 for the Shipper for that Day will be 200 GJ.

- (c) The Shipper may nominate Overrun Gas, for any Path on any Day under this agreement.
- (d) The Transporter may authorise Overrun Gas nominated by the Shipper if, in the Transporter's sole discretion, there is sufficient Capacity to deliver the Overrun Gas and will include any authorised Overrun Gas in the Confirmed Nomination for that Day (**Authorised Overrun Gas**).
- (e) If an Operational Flow Order is issued by the Transporter, any Authorised Overrun Gas for that Day will be reduced to the extent the quantity permitted in the Operational Flow Order is less than the Confirmed Nomination.
- (f) There is no Authorised Overrun Gas for an As-Available Park and Lend Service.
- (g) Subject to clause 5.6, the Transporter must use reasonable endeavours to deliver Authorised Overrun Gas.
- (h) The Transporter is under no obligation to accept a Nomination from the Shipper for Overrun Gas.

5.6 Overrun is interruptible

The delivery of Overrun Gas on a Day is interruptible at the absolute discretion of the Transporter, and the Transporter will have no liability to the Shipper as a result of any interruption arising directly or indirectly out of the Shipper taking Overrun Gas.

5.7 Charges for Overrun

- (a) The Transporter will charge the Shipper for Overrun Gas as follows:
 - (i) The charge for Authorised Overrun Gas on a Firm Forward Haul Transportation Service, Firm Back Haul Transportation Service, As-Available Forward Haul Transportation Service or As-Available Back Haul Transportation Service in respect of a Path on a Day is calculated as follows:
 - A. in respect of each Service, the quantity of Authorised Overrun Gas up to the Contract Tolerance on the relevant Day is charged at 100% of the Tariff for that Path; and
 - B. in respect of each Service, any quantity of Authorised Overrun Gas delivered by the Transporter in excess of the Contract Tolerance is charged at 130% of the Tariff for that Path,

(Authorised Overrun Charge).

Example Calculation (for illustrative purposes only):

A Pipeline Shipper with a Firm Forward Haul Transportation Service with an Operational MDQ of 1000 GJ/d and a Contract Tolerance of 5%, which is authorised to flow at 1200 GJ on a certain Day, and utilises this amount, will pay overrun charges as follows:

- 50 GJ at 100% of the Total Firm Tariff for that Path; plus

- 150 GJ at 130% of the Total Firm Tariff for that Path.
- (ii) Except where clause 5.7(a)(iii) applies, the charge for Unauthorised Overrun Gas on a Firm Forward Haul Transportation Service, Firm Back Haul Transportation Service, As-Available Forward Haul Transportation Service or As-Available Back Haul Transportation Service in respect of a Path is calculated as the total quantity of Unauthorised Overrun Gas, charged at 150% of the Tariff for that Path (**Unauthorised Overrun Charge**).

Example Calculation (for illustrative purposes only):

A Pipeline Shipper with a Firm Forward Haul Transportation Service for an Operational MDQ of 1000 GJ/d and a Contract Tolerance of 5%, which is authorised to flow at 1200 GJ on a certain Day, and utilises 1300 GJ, will pay overrun charges as follows:

- 50 GJ at 100% of the Total Firm Tariff for that Path; plus
 - 150 GJ at 130% of the Total Firm Tariff for that Path; plus
 - 100 GJ at 150% of the Total Firm Tariff for that Path.
- (iii) The charge for any Unauthorised Overrun Gas which has resulted from the Shipper exceeding an Operational Flow Order is calculated as the Unauthorised Overrun Gas multiplied by 300% of the Total Firm Tariff.
- (b) For any Other Service, subject to clause 5.7(a)(iii), the charge for Authorised Overrun Gas and the charge for Unauthorised Overrun Gas will be as specified in the Annexure for that Other Service.

6. Nominations and System Use Gas

6.1 Rolling 15 Month forecasts

At least 30 Days prior to the commencement of each Quarter, the Shipper must notify the Transporter on a non-binding basis of the quantities of Gas to be delivered using a Service for each Day of the following 15 Months.

6.2 Nominations, confirmations and notices

- (a) Nominations are the Shipper's notifications to the Transporter, through the Transporter's accounting system from time to time, as at the Execution Date known as PypIT (**PypIT**) of the quantities of Gas the Shipper requests to be delivered at each Delivery Point and received at each Receipt Point, on the Shipper's account in respect of each Service on each Day under this agreement (**Nominations**). Nominations can cover a period of one week, one Day or, in the case of an Intra-Day Nomination, part of one Day.
- (b) A Nomination under this clause 6 must be submitted to PypIT and will be effective from the time the Nomination is saved in PypIT. If the Shipper is unable to submit a Nomination because of a fault with PypIT, then:
- (i) the Shipper must first telephone the Commercial Operations team at the telephone number set out in clause 35.1 to notify the Transporter that the Shipper will be submitting the Nomination by email; then
 - (ii) the Nomination must be submitted to the Transporter by email to the email address set out in clause 35.1 in a CSV file or other acceptable format as nominated by the Transporter.

- (c) The Transporter will provide confirmations and reports under this clause 6 and relating to clauses 9.1 and 9.2 via email from PypIT. In the event there is a fault with PypIT, the Transporter will use the email address or addresses notified by the Shipper to the Transporter from time to time.

6.3 Weekly Nominations

- (a) No later than 2:00 pm on each Friday, the Shipper must, in respect of each Service, provide to the Transporter a Nomination setting out, for each Day in the Week the quantity of Gas that the Shipper requires the Transporter:
 - (i) to deliver to the Shipper at each Delivery Point; and
 - (ii) to receive at each Receipt Point,

(Weekly Nomination).
- (b) During the week the Shipper must ensure the Weekly Nomination always represents a good faith forecast by the Shipper as to its expected receipts and deliveries of Gas on each of the next 3 Days during that Week, or the remaining Days in that Week, as the case requires.
- (c) The Transporter is not required to respond to the Shipper's Weekly Nomination or any revision to the Weekly Nomination.

6.4 Daily Nominations

- (a) The procedure set out in this clause 6.4(a) applies on and from the date of this agreement. For the avoidance of doubt, the times referred to in this clause 6.4(a) are in AEST.
 - (i) No later than 12:00 hours AEST on the Day before the Transporter is to provide a Service to the Shipper, the Shipper must notify the Transporter of any Bilateral Trades or Capacity Trades (but excluding acquisitions through the Exchange) (as applicable) for the following Day, providing the following information:
 - A. the Service affected;
 - B. details of the counterparty to whom Contracted Capacity has been traded or from whom the Capacity Trade MDQ has been acquired;
 - C. the Receipt Point and Delivery Point to which the Bilateral Trade or the Capacity Trade (as applicable) relates;
 - D. the quantity of Contracted Capacity or Capacity Trade MDQ (as applicable) traded (in GJ/day);
 - E. the period of the Bilateral Trade or Capacity Trade (as applicable); and
 - F. any hourly entitlements, imbalance entitlements or other contractual entitlements to use the relevant Contracted Capacity or Capacity Trade MDQ, or use it in a given way, that are the subject of the Bilateral Trade or Capacity Trade (as applicable).

and request that the Transporter advise the Shipper whether those Bilateral Trades or Capacity Trade (as applicable) have been accepted and validated (**Bilateral Trade Notification**).

- (ii) The Transporter must, by 13:00 hours AEST or as soon as possible thereafter on the Day before the Day on which the Transporter is required to provide the Services set out in the Bilateral Trade Notification, provide a notice to the Shipper advising that:
 - A. none, some or all of the Bilateral Trades or Capacity Trades (as applicable) have been accepted and validated and the amount of Gas that the Transporter confirms will be scheduled for receipt at a Receipt Point and scheduled for delivery to a Delivery Point in respect of the Bilateral Trades or Capacity Trades (as applicable) that have been accepted and validated; and
 - B. none, some or all of the Bilateral Trades or Capacity Trades (as applicable) have been rejected and not validated (including reasons for not validating those Bilateral Trades or Capacity Trades (as applicable)), provided that the Transporter may only reject a Bilateral Trade or Capacity Trade (as applicable) in accordance with the Capacity Transfer and Auction Procedures or the National Gas Rules.

(b) The procedure in this clause 6.4(b) applies in respect of Daily Nominations:

- (i) No later than 15:00 hours AEST on the Day before the Transporter is to provide a Service to the Shipper, the Shipper may, by notice to the Transporter, request a change to the Shipper's relevant Weekly Nomination (**Daily Nomination**). If the Shipper does not request a change in respect of any Day covered by the Weekly Nomination by 15:00 hours on the Day before that Day, the Shipper's Daily Nomination for that Day will be deemed to be as set out in the last revised Weekly Nomination for that Day.

- (ii) The Transporter must, by 16:30 hours or as soon as possible thereafter on the Day before the Day on which the Transporter is required to provide the Service to the Shipper, provide a notice to the Shipper containing the Shipper's:

- A. Confirmed Receipt Nomination; and
- B. Confirmed Delivery Nomination,

for each Firm Forward Haul Transportation Service and an estimate in respect of all other Services (together, a **Confirmed Nomination**). The Confirmed Nomination will contain an amount of Gas that the Transporter confirms (in respect of a Firm Forward Haul Transportation Service) and estimates (in respect of all other Services) (assuming that no Curtailment will be required as a result of that Day's renominations under the OTSAs) will be scheduled for receipt at a Receipt Point or delivered to a Delivery Point. Any estimate provided in the Confirmed Nomination is not binding upon the Transporter unless that estimate is confirmed pursuant to clause 6.4(b)(iii).

- (iii) If there are renominations under any Gas Transportation Agreements that are accepted by the Transporter and either of these events results in a change to the Shipper's Confirmed Nomination, the Transporter must, by 22:00 hours or as soon as possible thereafter on the Day before the

Day on which the Transporter is required to provide the Service to the Shipper, provide a revised Confirmed Nomination to the Shipper containing the Shipper's:

- A. revised Confirmed Receipt Nomination; and
- B. revised Confirmed Delivery Nomination,

for all Services (together, a **Revised Confirmed Nomination**). If the Transporter does not provide a Revised Confirmed Nomination by 22:00 hours or as soon as possible thereafter to the Shipper, the estimates set out in the Confirmed Nomination will become binding as the Confirmed Delivery Nomination and Confirmed Receipt Nominations.

- (iv) The Transporter is not under any obligation to accept any Daily Nomination submitted after 15:00 hours on the Day before the Transporter is required to provide that Service to the Shipper.
- (v) In making a decision regarding whether to accept a Daily Nomination, the Transporter, acting reasonably, will consider (without limitation):
 - A. operational matters;
 - B. the provisions of this agreement, including any relevant Annexures; and
 - C. whether sufficient capacity is available, taking into account the Priority of Service,

and the Transporter's decision regarding a Daily Nomination is final unless this agreement provides otherwise.

- (vi) Unless otherwise set out in the Confirmed Nomination or unless the Confirmed Nomination as it relates to Firm Forward Haul Transportation Services is amended by the Revised Confirmed Nomination, the Confirmed Nomination is final with respect to Firm Forward Haul Transportation Services and has immediate effect upon receipt by the Shipper.
- (vii) The Revised Confirmed Nomination is final with respect to all Services and has immediate effect upon receipt by the Shipper.
- (viii) If a Delay Event occurs and AEMO claims an extension of time (as contemplated by the Capacity Transfer and Auction Procedures) and the Transporter determines, acting reasonably, that the extension of time will affect its ability to comply with the timeframes set out in this clause 6.4 (**Timetable Delay**), then the Transporter will be relieved of its obligation to comply with the timeframes set out in this clause 6.4 whilst the Timetable Delay applies.

6.5 Intra-Day Nomination for Services

- (a) On one occasion during a Day (unless otherwise agreed), the Shipper may, by notice to the Transporter, request a change to the Shipper's Confirmed Nomination for the remaining part of that Day for any Service to the extent specified in an Annexure for that Service (as may be agreed by the Transporter in its sole discretion) (**Intra-Day Nomination**).
- (b) The Shipper must submit an Intra-Day Nomination in accordance with clause 6.5(a). The Shipper may ask the Transporter whether an Intra-Day

nomination is likely to be accepted in advance of making it by contacting the Transporter's Commercial Operations team in accordance with clause 35.1.

- (c) The Transporter will respond to an Intra-Day Nomination as soon as practicable in good faith and in accordance with clause 6.5(d), using reasonable endeavours to respond within one hour after receiving it.
- (d) The Transporter will assess, in its sole discretion, whether the Transporter can fully or partially meet the Intra-Day Nomination taking into account:
 - (i) operational matters;
 - (ii) the provisions of this agreement, including any relevant Annexures;
 - (iii) whether one or more Intra-Day Nominations were received from the Shipper or other Pipeline Shippers before the Intra-Day Nomination;
 - (iv) whether sufficient Capacity is available, taking into account the Priority of Service; and
 - (v) whether the proposed change will detrimentally affect the existing confirmed nominations of other Pipeline Shippers,and the Transporter's decision regarding an Intra-Day Nomination is final.
- (e) Once a decision regarding the Intra-Day Nomination has been made by the Transporter, the Transporter will provide a revised Confirmed Nomination to the Shipper.
- (f) The Shipper is responsible for making all necessary contractual arrangements to deliver Gas at the Receipt Point and receive Gas from the Delivery Point.

6.6 Nomination changes are not retrospective

Changes to Nominations cannot be made retrospectively, that is, after the Transporter has provided a Service to the Shipper. Nominations and changes to Nominations may only be made for a Service that has not been delivered by the Transporter.

6.7 Compatible Nominations

The Shipper will ensure that all Nominations the Shipper provides to the Transporter are compatible with similar forecasts provided under service agreements with operators of interconnected facilities at the Receipt Points and Delivery Points (if relevant).

6.8 Changes to Nominations procedure

- (a) Subject to clause 6.8(d), the Transporter may by notice in writing to the Shipper notify the Shipper of any reasonably required changes to the nominations procedures set out in this clause 6.
- (b) Within 5 Business Days of receiving the notice issued under clause 6.8(a), or such other period agreed between the parties, the Shipper may provide any feedback that it may have on the proposed changes set out in the notice, and the Transporter will consider (acting reasonably) any feedback the Shipper may have before issuing a further notice setting out the changes to the nominations procedures set out in this clause 6.
- (c) The changes detailed in the further notice issued pursuant to clause 6.8(b) (as amended pursuant to clause 6.8(b) as applicable) will take effect on and from the date specified in the further notice issued pursuant to clause 6.8(b), such date not

to be less than 7 Days from the date the further notice was issued pursuant to clause 6.8(b).

- (d) Notwithstanding anything in this clause 6.8, clauses 6.8(b) and 6.8(c) do not apply if the Transporter is required to make changes to the nominations procedures set out in this clause 6 in order for the Transporter, the Shipper or both to comply with any Applicable Law. In such a case, the Shipper must, as soon as reasonably practicable after receiving the notice issued under clause 6.8(a), comply with the changes to the nominations procedures.

6.9 Application

Clauses 6.10 and 6.11 only apply in respect of a Firm Forward Haul Transportation Service or As-Available Forward Haul Transportation Service.

6.10 System Use Gas

The Transporter has title to, and control and possession of, all System Use Gas within the Pipeline during the Service Term.

6.11 Shipper's supply obligation

- (a) The Shipper must, at its expense, contribute System Use Gas requirements to the Pipeline. The Shipper's proportion of System Use Gas in relation to a Service is determined as the ratio of:
- (i) its Actual Delivered Quantity under the Service for each Delivery Point; to
 - (ii) the total actual delivered quantity of Gas that is made available and delivered or deemed to be delivered by the Transporter to or on behalf of all Pipeline Shippers under all Firm Forward Haul Transportation Services and As-Available Forward Haul Transportation Services for all Pipeline Shippers for all delivery points on the Pipeline on the Day.
- (b) The Shipper's contribution to System Use Gas is calculated at the end of each Day and included in the calculation of its Daily Imbalance for that Service in accordance with clause 9.1.
- (c) The daily System Use Gas volumes shown on the Customer Portal are indicative only until the end of the Month when the Pipeline Shipper accounting reports are finalised.

7A. Operational Transfers

- (a) Subject to compliance with the procedures set out in clause 6.4 and this clause 7A:
- (i) the Shipper may sell Contracted Capacity through a Bilateral Trade or Exchange Trade and the Transporter must give effect to any such Operational Transfer subject to any validation arrangements in the Capacity Transfer and Auction Procedures; and
 - (ii) the Shipper may sell Contracted Capacity (including hourly entitlements, imbalance entitlements and other contractual entitlements to use the relevant Contracted Capacity or use it in a given way) through Bilateral Trades but only to the extent that a transfer can occur in a manner consistent with the operational and technical requirements necessary for the safe and reliable operation of the Pipeline.

- (b) Subject to rule 639 of the National Gas Rules, the Transporter may decline to give effect to any Exchange Trade in the circumstances permitted by the Capacity Transfer and Auction Procedures.
- (c) Subject to any Ipso Facto Stay, and subject to rule 639 of the National Gas Rules, the Transporter's obligation to give effect to an Operational Transfer (other than Operational Transfers that are effected as an Exchange Trade) is suspended during any period of time that the Shipper is:
- (i) in breach of this document; or
 - (ii) an externally-administered body corporate (as defined in the Corporations Act) or under a similar form of administration under the laws of some other jurisdiction,
- and the Transporter will have no liability with respect to, and during any, period of time that its obligations are suspended pursuant to this clause.
- (d) In respect of any Contracted Capacity the subject of an Operational Transfer, the following will apply:
- (i) subject to subclauses (ii) and (iii) below, the Shipper is liable for all charges payable under this agreement, notwithstanding that its Contracted Capacity has been transferred to a Secondary Shipper;
 - (ii) the Shipper will not be liable for any Imbalance Charges, Odourisation Charges or Unauthorised Overrun Charges resulting from the use of Contracted Capacity by a Secondary Shipper who validly holds such Contracted Capacity pursuant to an Exchange Trade or Bilateral Trade;
 - (iii) the Transporter will, acting reasonably, apportion any amounts payable as a result of Carbon Charges payable by the Shipper in accordance with clause 18.2 between the Shipper and Secondary Shippers and the Shipper's liability in respect of such Carbon Charges will be reduced to the extent such charges have been apportioned to the Secondary Shipper (which will be notified to the Shipper in invoices provided to the Shipper under the GTA).
 - (iv) the Shipper's obligation to provide Adequate Assurance under clause 30.3 (including the quantum of such Adequate Assurance) is not reduced as a result of any Operational Transfer; and
 - (v) for so long as the Operational Transfer remains in effect, the Shipper has no right to request the use of any Contracted Capacity that is the subject of an Operational Transfer; and
 - (vi) the Shipper's Contractual MDQ will not be reduced under any circumstances for the purpose of determining any charges (except in the circumstances described in subclauses (ii) and (iii) above) that are payable under the GTA.
- (e) The Shipper must pay the Standardisation Cost Charge for each Gas Transportation Agreement held by the Shipper which will be calculated in accordance with the schedule published by the Transporter on its Website pursuant to Rule 634(4).
- (f) The Shipper acknowledges that the Standardisation Cost Charges are calculated on an annual basis based on costs the Transporter has incurred and estimates of costs that will be incurred in the relevant year. The Transporter will be entitled to complete a true-up at the end of each year which will affect the calculation of the Standardisation Cost Charges for the following year.

- (g) The Transporter will add the Standardisation Cost Charge to the applicable monthly invoice which will be payable by the Shipper in accordance with the terms of this agreement.

7B. Capacity Trade Service

- (a) This clause 7B will only take effect on and from the date that is 20 Business Days after the Shipper provides a valid written notice to the Transporter requesting that this clause take effect so that the Shipper can use secondary services under this agreement.
- (b) The Shipper may, in respect of any one or more Delivery Points, acquire Capacity Trade MDQ through an Operational Transfer. Except to the extent that this document provides otherwise, all of the provisions of this document apply to any services acquired through a Capacity Trade.
- (c) The Shipper must comply with the procedures set out in clause 6.4 and subclauses 7B(e) to (h) with respect to Capacity Trades and Exchange Trades.
- (d) Shipper must ensure that:
- (i) its nominations represent its best estimate of the quantities of Gas it wishes to supply and take delivery of on a Day; and
 - (ii) it has all necessary arrangements in place with parties upstream of Receipt Points and downstream of Delivery Points to enable Shipper to supply at the Receipt Points the quantities of Gas nominated by Shipper and take at the Delivery Points the quantities of Gas nominated by Shipper.
- (e) In respect of any Purchased Capacity, the Shipper must pay the Transporter all Service Charges (including Taxes, Charges and Carbon Charges payable under this agreement) attributable to that Purchased Capacity under this agreement other than the Transportation Charge.
- (f) For the calculation of imbalance charges and overrun charges in relation to Purchased Capacity:
- (i) any reference to the Tariff in respect of imbalance charges relating to a forward haul service will be read as a reference to the Reference Tariff for the Firm Forward Haul Transportation Service;
 - (ii) any reference to the Tariff in respect of overrun charges will be read as a reference to the Reference Tariff for the relevant Service across the relevant Areas.
- (g) The Transporter and the Shipper must enter into an Annexure (or more if required) to detail the Capacity Trade Service and applicable Paths that the Shipper intends to use pursuant to this clause 7B.
- (h) If the Shipper enters into a separate OTSA with the Transporter with respect to the use of secondary services, this entire clause 7B will have no force and effect for the term of that OTSA.

7. Scheduling

7.1 Scheduling of nominated quantities of Gas

The Transporter must notify the Shipper of the quantities of Gas that the Transporter has scheduled to receive at each Receipt Point and deliver to each Delivery Point, Gas on account of the Shipper for the following Day in accordance with the procedures set out in clause 6.4.

7.2 Notices

For the purposes of this clause 7, a notice, confirmation or other communication will be submitted to the Customer Portal, and is effective from the time it is submitted to the Customer Portal. If the Transporter is unable to submit any such notice, confirmation or other communication to the Customer Portal because of a fault with the Customer Portal, notification may be given in accordance with clause 35.1.

7.3 Transporter's obligations

- (a) The Transporter will, at the time the Confirmed Nominations are issued to the Shipper, determine the flow rates (in GJ/Day) required to flow from each Receipt Point to each Delivery Point to meet the Shipper's Confirmed Nominations including any Gas for correcting any Daily Imbalance.
- (b) All quantities of Gas scheduled are to be received and/or delivered at an hourly rate not exceeding the maximum hourly quantity, which is calculated as the Confirmed Nominations for the Day divided by 20, for each Receipt Point and Delivery Point (MHQ).
- (c) The Transporter may, entirely at its discretion, increase the MHQ if, in its opinion, the variance from the MHQ:
 - (i) will not be detrimental to the operation of the Pipeline; and
 - (ii) will not detrimentally affect other Pipeline Shippers.

7.4 Changes to scheduling

- (a) Subject to clause 7.4(d), the Transporter may by notice in writing to the Shipper notify the Shipper of any reasonably required changes to the scheduling procedures set out in this clause 7.
- (b) Within 5 Business Days of receiving the notice issued under clause 7.4(a), or such other period agreed between the parties, the Shipper may provide any feedback that it may have on the proposed changes, and the Transporter will consider (acting reasonably) any feedback the Shipper may have before issuing a further notice setting out the changes to the scheduling procedures set out in this clause 7.
- (c) The changes detailed in the further notice issued pursuant to clause 7.4(b) (as amended pursuant to clause 7.4(b) as applicable) will take effect on and from the date specified in the further notice issued pursuant to clause 7.4(b), such date not to be less than 7 Days from the date the further notice was issued pursuant to clause 7.4(b).
- (d) Notwithstanding anything in this clause 7.4, clauses 7.4(b) and 7.4(c) do not apply if the Transporter is required to make changes to the scheduling procedures set out in this clause 7 in order for the Transporter, the Shipper or both to comply with any Applicable Law.

8. Allocation of Receipt Point and Delivery Point Quantities

8.1 Allocations for more than one Pipeline Shipper

If, at any time, there is more than one Pipeline Shipper:

- (a) nominating Gas for receipt at a Receipt Point; or
- (b) for whom there is a nomination for delivery of Gas at a shared Delivery Point,

the Transporter must allocate the relevant quantities of Gas, received by the Transporter and delivered to the Pipeline Shippers, between the Pipeline Shippers in accordance with this clause 8.

8.2 Pro rata allocation of receipts and deliveries

Subject to clause 8.3, the Transporter will determine the allocation of quantities of Gas delivered or received under each Service on each Day for the account of the Shipper and other Pipeline Shippers taking into account:

- (a) the Priority of Service; and
- (b) the proportion that each Pipeline Shipper's confirmed nomination(s) at each relevant Receipt Point and Delivery Point on each relevant Day bears to the total quantity of all Pipeline Shipper's confirmed nomination(s) at such points,

and the Shipper is deemed to have received or delivered (as the case may be) that allocation of Gas so determined by the Transporter for that Day.

8.3 Multi-Shippers' agreement

- (a) If requested by a Pipeline Shipper, the Transporter will use reasonable endeavours to agree a multi-shipper agreement with all Pipeline Shippers that deliver Gas at a shared Receipt Point or take delivery of Gas at a shared Delivery Point to determine the allocation method to apply at that Receipt Point or Delivery Point.
- (b) If a multi-shipper agreement has been entered into pursuant to clause 8.3(a), the Transporter must allocate the quantities of Gas actually received at such Receipt Points or delivered at such Delivery Points in accordance with the multi-shipper agreement.
- (c) Allocation methodologies may:
 - (i) not be changed during a Month; and
 - (ii) never be changed retrospectively.

8.4 Allocation by third party operators of infrastructure

The Transporter may enter into arrangements with third party operators of connecting infrastructure to determine the allocations of Gas received at a Receipt Point or delivered at a Delivery Point to the extent necessary for the proper management of Gas flowing from one pipeline system to another.

8.5 Operational Flow Orders

- (a) Subject to clause 8.5(b), the Transporter will apply Operational Flow Orders first to Pipeline Shippers, whose actions or omissions have resulted in the need for Operational Flow Orders.

- (b) The Shipper acknowledges and agrees that despite the Transporter's reasonable endeavours, the Transporter may not be able to identify the Pipeline Shipper(s) whose actions or omissions resulted in the need for an Operational Flow Order, in which case, the Transporter may issue an Operational Flow Order to all or a number of Pipeline Shippers (including the Shipper).
- (c) Subject to clause 8.5(a), the Transporter may issue an order to a Pipeline Shipper to alter Gas receipts and deliveries (**Operational Flow Order**):
 - (i) when required, in the Transporter's reasonable opinion to:
 - A. prevent adverse operating conditions in the Pipeline;
 - B. comply with Capacity limitations resulting from a Force Majeure Event or other events and circumstances that endanger the safety or integrity of the Pipeline, including the need to perform unscheduled maintenance or repairs; or
 - C. deliver Gas in accordance with the Priority of Service; or
 - (ii) in accordance with clause 9.4.
- (d) In addition to clause 8.5(c), the Transporter may issue an Operational Flow Order to Pipeline Shippers, whose actions or omissions may, in the Transporter's reasonable opinion, adversely affect imbalances under the Transporter's Gas Transportation Agreements with other Pipeline Shippers.
- (e) Each Operational Flow Order will contain:
 - (i) the time and date of issue of the Operational Flow Order;
 - (ii) the time that the Operational Flow Order is to become effective;
 - (iii) the duration of the Operational Flow Order (if not specified, the Operational Flow Order will remain in effect until further notice);
 - (iv) a description of the section of the Pipeline for which the Operational Flow Order is in effect;
 - (v) the specific actions required of the Shipper at the Receipt Points and Delivery Points in order to comply with the Operational Flow Order;
 - (vi) the reasons for issuing the Operational Flow Order; and
 - (vii) any other information relevant to the Operational Flow Order.
- (f) In the event that an Operational Flow Order has been issued to a Pipeline Shipper in breach of clause 8.5(a), the Pipeline Charges will be reduced pro-rata to the reduction of the quantities of Gas actually delivered to the Shipper on any Day, rather than on the basis of Operational MDQ.

8.6 Settlement

- (a) If the quantity of Gas received by the Transporter into the Pipeline to the Shipper's account is in excess of the limits imposed by the Transporter under an Operational Flow Order, the Shipper will incur an Overrun Charge calculated in accordance with clause 5.7.
- (b) If the quantity of Gas received by the Transporter into the Pipeline to the Shipper's account is less than the requirements imposed by the Transporter under an

Operational Flow Order (the difference between the quantity specified in the Operational Flow Order and the quantity received being the **OFO Shortfall Amount**) the Transporter may purchase a quantity of Gas equal to the OFO Shortfall Amount.

- (c) If the Transporter does purchase the quantity of Gas referred to in clause 8.6(b), the Shipper will be charged an amount equal to 150% of the Line Pack Cost multiplied by the OFO Shortfall Amount and title to that Gas will transfer to the Shipper at the relevant Receipt Point.

9. Imbalances

9.1 Calculating imbalances

For each Day during the Services Term, the Transporter will calculate Daily Imbalances daily for each Service using the following formula:

where:

$$Imbalance = ARQ - (ADQ + SUG)$$

ARQ is the aggregate of the Actual Received Quantity for all Receipt Points for a Service;

ADQ is the aggregate of the Actual Delivered Quantity for all Delivery Points for that Service; and

SUG is the Shipper's System Use Gas allocation (as calculated under clause 6.11) for quantities of Gas transported on the Shipper's account under this agreement for Firm Forward Haul Transportation Service and As-Available Forward Haul Transportation Service,

and a Daily Imbalance may be a positive or a negative amount.

9.2 Calculation of Cumulative Imbalance

- (a) The Transporter must keep an account of:
- (i) each Daily Imbalance; and
 - (ii) the cumulative total of the Shipper's Daily Imbalances for each Day, for each Service (**Cumulative Imbalance**),

during the Services Term.

- (b) A positive Cumulative Imbalance will occur in respect of a Service if during the relevant period, the quantity of Gas delivered at all Delivery Points under that Service is less than the quantity of Gas received at all Receipt Points (net of System Use Gas) under that Service.
- (c) A negative Cumulative Imbalance will occur in respect of a Service if, during the relevant period, the quantity of Gas delivered at all Delivery Points under that Service is more than the quantity of Gas received at all Receipt Points (net of System Use Gas) under that Service.

9.3 Shipper's obligations to balance

- (a) The Shipper must control and, if necessary adjust receipts and deliveries of Gas to ensure that its Cumulative Imbalance for any Service (expressed as an absolute

value) under this agreement is kept below 10% of the Operational MDQ and is targeting zero.

- (b) The Transporter may offer an ancillary service to adjust scheduled flows in order to manage Imbalances or potential Imbalances on the Shipper's behalf.

9.4 Transporter's rights to correct Shipper's Cumulative Imbalance

The Transporter may correct the Shipper's Cumulative Imbalance at a Receipt Point by adjusting the Shipper's Nominations before scheduling if, in the Transporter's reasonable opinion:

- (a) the Shipper's Cumulative Imbalance is affecting the Transporter's ability to perform its obligations to other Pipeline Shippers;
- (b) the Shipper's Cumulative Imbalance is affecting the Transporter's ability to offer Services to prospective shippers; and
- (c) the Shipper is not taking reasonable steps to control its Cumulative Imbalance.

9.5 Elimination of Cumulative Imbalances at the Service End Date

- (a) Within 7 Days of the Service End Date in respect of a Service, any Cumulative Imbalance the Shipper may have in respect of that Service must be eliminated.
- (b) This clause 9 survives the end of the relevant Service End Date and the Transporter reserves the right at all times to apply the provisions of clauses 9.6 and 8.5.

9.6 Charges for imbalances

- (a) The charges for Daily Imbalances for a Service on any Day applicable for the Firm Forward Haul Transport Service, the Firm Back Haul Transport Service, the As-Available Forward Haul Transport Service and, the As-Available Back Haul Transport Service are calculated in accordance with this clause 9.6 and for the As-Available Park and Lend Service or any Other Service, the charges for Daily Imbalances on any Day applicable for the As-Available Park and Lend Service or that Other Service will be as specified in the Annexure for the As-Available Park and Lend Service or that Other Service (**Imbalance Charge**).
- (b) Subject to clause 7A(e), in respect of a **Firm Forward Haul Transport Service**, the Imbalance Charge will be the greater of:
 - (i) if at the end of any Day the Shipper's Cumulative Imbalance (whether a positive or a negative, but expressed as an absolute value) has for that Day and the immediately preceding 2 consecutive Days exceeded 10% of the sum of the Operational MDQs for each Path under that Service, the Shipper is required to pay to the Transporter an Imbalance Charge calculated as 30% of the Total Firm Tariff multiplied by the quantity (in GJs) by which the Cumulative Imbalance is greater than 10% of the sum of the Operational MDQs for each Path under that Service for each Day until the Cumulative Imbalance is reduced to within 10% of the sum of the Operational MDQs for each Path under that Service; and
 - (ii) if at the end of any Day the Shipper's Cumulative Imbalance (whether a positive or a negative, but expressed as an absolute value) exceeds 15% of the sum of the Operational MDQs for each Path under that Service, the Shipper will pay to the Transporter an Imbalance Charge calculated as 30% of the Total Firm Tariff multiplied by the quantity (in

GJs) by which the Cumulative Imbalance is greater than 15% of the sum of the Operational MDQs for each Path under that Service.

- (c) In respect of an **As-Available Forward Haul Transportation Service**, if at the end of any Day the Shipper's Cumulative Imbalance (whether a positive or negative, but expressed as an absolute value) exceeds 15% of the most recent Confirmed Delivery Nomination, or the sum of the most recent Confirmed Delivery Nominations (if more than one), for that Service, the Shipper is required to pay to the Transporter an Imbalance Charge calculated as 30% of the Tariff for the As-Available Forward Haul Transportation Service multiplied by the quantity (in GJs) by which the Cumulative Imbalance is greater than 15% of the most recent Confirmed Delivery Nomination or the sum of the most recent Confirmed Delivery Nominations (as the case requires) for that Service.
- (d) In respect of a **Firm Back Haul Transportation Service**, the Imbalance Charge will be the greater of:
 - (i) if at the end of any Day the Shipper's Cumulative Imbalance (whether a positive or a negative, but expressed as an absolute value) has for that Day and the immediately preceding 2 consecutive Days exceeded 10% of the sum of the Operational MDQs for each Path under that Service, the Shipper is required to pay to the Transporter an Imbalance Charge calculated as 30% of the Tariff for the Firm Back Haul Transportation Service multiplied by the quantity (in GJs) by which the Cumulative Imbalance is greater than 10% of the sum of the Operational MDQs for each Path under that Service for each Day until the Cumulative Imbalance is reduced to within 10% of the sum of the Operational MDQs for each Path under that Service; and
 - (ii) if at the end of any Day the Shipper's Cumulative Imbalance (whether a positive or a negative, but expressed as an absolute value) exceeds 15% of the sum of the Operational MDQs for each Path under that Service, the Shipper will pay to the Transporter an Imbalance Charge calculated as 30% of the Tariff for the Firm Back Haul Transportation Service multiplied by the quantity (in GJs) by which the Cumulative Imbalance is greater than 15% of the sum of the Operational MDQs for each Path under that Service.
- (e) In respect of an **As-Available Back Haul Transportation Service**, if at the end of any Day the Shipper's Cumulative Imbalance (whether a positive or negative, but expressed as an absolute value) exceeds 15% of the most recent Confirmed Delivery Nomination, or the sum of the most recent Confirmed Delivery Nominations (if more than one), for that Service, the Shipper is required to pay to the Transporter an Imbalance Charge calculated as 30% of the Tariff for the As-Available Back Haul Transportation Service multiplied by the quantity (in GJs) by which the Cumulative Imbalance is greater than 15% of the most Confirmed Delivery Nomination or the sum of the most recent Confirmed Delivery Nominations (as the case requires) for that Service.

9.7 Allocation of imbalance to associated service

- (a) Any daily imbalance quantities arising in connection with a Nitrogen Removal Service will be allocated to the relevant 'Associated Service' (as that term is defined under the NRSA) for the following Day.
- (b) Any difference between the Shipper's (as the 'Customer') nominated Facility Use Gas quantity under the NRSA and the Shipper's Facility Use Gas allocation (as calculated under the NRSA) for quantities of Gas treated and delivered on the Shipper's account under the NRSA for a Nitrogen Removal Service, will not incur imbalance charges under this agreement.

9.8 Imbalance trading

- (a) The Shipper may exchange all or part of its Cumulative Imbalance with an Other Shipper for an equal but opposite quantity of that Other Shipper's imbalance, provided that each of the following conditions is satisfied:
 - (i) notice of the exchange is given to the Transporter from the Shipper and the Other Shipper (such notice must include the specific location of the imbalances the subject of the exchange); and
 - (ii) the exchange is confirmed and validated by the Transporter.
- (b) If an exchange is confirmed and validated, the Shipper's Cumulative Imbalance and the imbalance of the Other Shipper will be adjusted accordingly, however, an exchange will not affect the Shipper's liability to pay any Imbalance Charges accrued prior to the time of the exchange.
- (c) The Transporter is required to confirm and validate an exchange except where:
 - (i) the Transporter considers that the exchange of the Cumulative Imbalance cannot occur in a manner consistent with the operational and technical requirements necessary for the safe and reliable operation of the Pipeline;
 - (ii) it would result in the Other Shipper's cumulative imbalance exceeding the amount allowed under the Other Shipper's Gas Transportation Agreement;
 - (iii) the imbalances are located at different locations on the Pipeline unless either the Shipper or the Other Shipper pays to the Transporters a charge equivalent to the transportation charge which would be payable to transport one of the imbalances such that they are at the same location; or
 - (iv) where at the time that the exchange is to be made, either this agreement or the Secondary Shipper's Gas Transportation Agreement will cease to be in effect.
- (d) For each GJ of Gas or part thereof traded in accordance with this clause, the Shipper must pay an Imbalance Trading Charge per GJ at the rate published on the Website at the relevant time.

10. Title and possession

10.1 Title

The Shipper, or its subcontractor, will retain title to all Gas transported on its behalf by the Transporter under this agreement, except System Use Gas.

10.2 Possession

Subject to the terms of this agreement, possession of Gas passes from the Shipper to the Transporter at the Receipt Points, and passes from the Transporter to the Shipper at the Delivery Points.

10.3 Warranty

- (a) The Shipper warrants that at the time the Shipper delivers Gas to the Receipt Point, the Shipper will have good title to, or the right to supply, that Gas at that Receipt Point for transportation by the Transporter under this agreement.
- (b) The Transporter warrants that at the time the Transporter delivers Gas to the Delivery Point, the Transporter will have a connection arrangement with the relevant party to enable the supply of that Gas at that Delivery Point for acceptance by the Shipper under this agreement.

10.4 Transporter not a bailee

The Transporter is not a bailee of the Gas in relation to which the Transporter provides the Services.

10.5 Commingling of Gas

The Transporter may commingle Gas supplied by the Shipper at a Receipt Point with other Gas in the Pipeline, and deliver commingled Gas to Shipper at a Delivery Point.

11. Base Linepack

11.1 Determination of Base Linepack

The Transporter must:

- (a) reasonably determine the minimum quantity of Gas needed for the safe and efficient operation of the Pipeline in accordance with Good Industry Practice, and the performance of all of its Gas Transportation Agreements (**Base Linepack**); and
- (b) at its cost, provide such Base Linepack.

11.2 Title to Base Linepack

The Transporter will retain title to Base Linepack.

12. Pipeline pressure and Shutdowns

12.1 Transporter to maintain receipt and delivery pressure and temperature

The Transporter must ensure that at all times during the Services Term each Receipt Point and each Delivery Point operates within the pressure and temperature ranges specified in the relevant Service Annexure.

12.2 Shipper's obligations

- (a) On a Day, the Shipper must supply Gas at a Receipt Point at a pressure sufficient to ensure that the Gas enters the Pipeline and at a pressure between the minimum and maximum pressures set out in the relevant Annexure.
- (b) The parties acknowledge that the Transporter is under no obligation to install compression or other facilities to change the receipt pressure of Shipper's Gas at any Receipt Point should the Shipper not comply with clause 12.2(a).

12.3 Transporter's obligations

On a Day, the Transporter must supply Gas at a Delivery Point at a pressure between the minimum and maximum pressures set out in the relevant Annexure.

12.4 Shutdowns

If there is a planned shutdown of infrastructure that is upstream of a Receipt Point that will affect the Shipper (**Upstream Shutdown**) or of infrastructure that is downstream of a Delivery Point (**Downstream Shutdown**), then for the purpose of aligning Pipeline maintenance with such Shutdown, the Shipper must, to the extent the Shipper has been notified of such Shutdown, notify the Transporter as soon as practicable of the relevant Shutdown setting out the dates on which the relevant Shutdown will commence and conclude and any forecast of gas demand expected (if any) in that period. The quantities of Gas during any Shutdown will be nominated by the Shipper in accordance with clause 6.

13. Quality

13.1 Specification

- (a) The Shipper must ensure that Gas made available for delivery to the Transporter at any Receipt Point meets the Gas Specification.
- (b) Subject to clause 13.1(a), the Transporter must ensure that Gas that meets the Gas Specification is made available for receipt by the Shipper at the relevant Delivery Points.

13.2 Receipt Point quality

- (a) As soon as reasonably practicable after a party becomes aware that:
 - (i) Off-Specification Gas; or
 - (ii) (in relation to the same off-specification gas event or circumstance) Off-Specification Gas that varies further from the gas specification set out in a prior notice issued under this sub-clause,may be, or has been, made available at a Receipt Point, it must notify the other party.
- (b) A notice given under clause 13.2(a) must, to the extent reasonably practicable, identify:
 - (i) the nature of the deficiency, including details of how the Off-Specification Gas varies from the Gas Specification;
 - (ii) the duration and quantity of the supply of Off-Specification Gas prior to the notice;
 - (iii) where the notice is given by the Shipper:
 - A. the anticipated duration and quantity of such supply if it has not already ceased; and
 - B. when the Shipper reasonably estimates that the Shipper will resume delivery of Gas that meets the Gas Specification; and
 - (iv) where the notice is given by the Transporter, whether it will accept delivery of any further quantity of Off-Specification Gas.

- (c) The Transporter is deemed to have rejected delivery of all quantities of Off-Specification Gas delivered prior to a notice being given under clause 13.2(a).
- (d) The Transporter is deemed to have accepted delivery of all quantities of Off-Specification Gas delivered to the Transporter after two hours from when the Transporter first became aware that:
 - (i) Off- Specification Gas; or
 - (ii) (in relation to the same off-specification gas event or circumstance) Off-Specification Gas that varies further from the gas specification set out in a prior notice issued under clause 13.2(a),

was made available for receipt by the Shipper at any Receipt Point.
- (e) If a notice is given under clause 13.2(a):
 - (i) the Shipper must take all steps reasonably practicable to resume making available for delivery to the Receipt Point, Gas that meets the Gas Specification as soon as possible; and
 - (ii) the Shipper must notify the Transporter as soon as reasonably practicable of when the Shipper reasonably estimates that the Shipper will resume delivery of Gas to the Receipt Point that meets the Gas Specification.
- (f) Unless the Transporter has given notice under clause 13.2(a) that it will accept delivery of the Off-Specification Gas, the Transporter must promptly cease to receive deliveries of Off-Specification Gas at the Receipt Points until the Shipper is able to resume making available for delivery Gas that meets the Gas Specification, or until the Transporter otherwise notifies the Shipper to resume delivery of Off-Specification Gas, in which case the Transporter is deemed to accept delivery of such further Off-Specification Gas delivered in response to such notice.
- (g) If the Transporter gives notice under clause 13.2(a) that it will accept delivery of Off-Specification Gas, or is deemed to accept such delivery under clause 13.2(c) or clause 13.2(f), the Shipper (in addition to the Shipper's obligation under clause 13.2(e)):
 - (i) may make that Off-Specification Gas available for delivery to the Transporter; and
 - (ii) must notify the Transporter as soon as reasonably practicable after the Shipper becomes aware that such Off-Specification Gas varies further from the Gas Specification than was set out in the relevant notice given under clause 13.2(a), including those details set out in clauses 13.2(b)(i) to 13.2(b)(iii) (inclusive) to the extent reasonably practicable.

13.3 Liability - Receipt Point

- (a) The Shipper will
 - (i) bear the risk of, and be responsible for; and
 - (ii) indemnify the Transporter against,

any Claim or Loss (including legal costs on a full indemnity basis) suffered or incurred by the Transporter including:

 - (iii) any liability to, or a claim by, a third party; and

- (iv) clearing, cleaning and repairing (including if and to the extent necessary by replacement or rectification) of any part of the Pipeline,

as a direct result of the delivery by the Shipper at the Receipt Point of any Off-Specification Gas which the Transporter has not:

- A. given notice that it will accept; or
 - B. been deemed to have accepted.
- (b) The Shipper will not be liable to the Transporter under clause 13.3(a), with respect to any Off-Specification Gas that the Transporter accepts (or is deemed to have accepted) at the relevant Receipt Point.

13.4 Delivery Point quality

- (a) As soon as reasonably practicable after a party becomes aware that:
- (i) Off-Specification Gas; or
 - (ii) (in relation to the same off-specification gas event or circumstance) Off-Specification Gas that varies further from the gas specification set out in a prior notice issued under this sub-clause,
- may be, or has been, made available at a Delivery Point, it must notify the other party.
- (b) The notice given under clause 13.4(a) must, to the extent reasonably practicable, identify:
- (i) the nature of the deficiency, including details of how the Off-Specification Gas varies from the Gas Specification;
 - (ii) the duration and quantity of the supply of Off-Specification Gas prior to the notice;
 - (iii) where the notice is being provided by the Transporter, to the extent it is able to reasonably ascertain:
 - A. the anticipated duration and quantity of such supply if it has not already ceased; and
 - B. when the Transporter reasonably estimates that it may resume delivery of Gas that meets the Gas Specification; and
 - (iv) where the notice is given by the Shipper, whether it will accept delivery of any further quantity of Off-Specification Gas.
- (c) The Shipper is deemed to reject delivery of all quantities of Off-Specification Gas delivered prior to giving notice to the Transporter under clause 13.4(a) that it will or will not accept further delivery of any further quantity of Off-Specification Gas.
- (d) If a notice is given under clause 13.4(a):
- (i) the Transporter must take all steps reasonably practicable to resume delivery to the Delivery Point, Gas that meets the Gas Specification as soon as possible;
 - (ii) where the notice is given by the Shipper, the Transporter must notify the Shipper as soon as reasonably practicable of when the Transporter

reasonably estimates that the Transporter will resume delivery of Gas to the Delivery Point that meets the Gas Specification; and

- (iii) where the notice is given by the Transporter, the Shipper must notify the Transporter as soon as reasonably practicable of whether it will or will not accept delivery of such Off-Specification Gas.
- (e) If the Shipper gives notice under clause 13.4(a) or 13.4(d)(iii) that the Shipper will not accept or will no longer accept delivery of the Off-Specification Gas, the Transporter must promptly, cease deliveries, on account of the Shipper, of Off-Specification Gas to the Delivery Points until the Transporter is able to resume delivery of Gas that meets the Gas Specification, or until the Shipper otherwise notifies the Transporter to resume delivery of Off-Specification Gas, in which case the Shipper is deemed to accept delivery of such further Off-Specification Gas delivered in response to such notice.
- (f) If the Shipper gives notice under clause 13.4(a) or 13.4(d)(iii) that it will accept delivery of Off-Specification Gas, or is deemed to accept such delivery under clause 13.4(e), the Transporter must (in addition to the Transporter's obligation under clause 13.4(d)):
 - (i) make that Off-Specification Gas available for delivery to the Shipper; and
 - (ii) notify the Shipper as soon as reasonably practicable after the Transporter becomes aware that such Off-Specification Gas varies further from the Gas Specification than was set out in the relevant notice given under clause 13.4(a), including those details set out in clauses 13.4(b)(i) to 13.4(b)(iii) (inclusive) to the extent reasonably practicable.

13.5 Liability - Delivery Point

- (a) Subject to clause 13.5(b), the Transporter will:
 - (i) bear the risk of, and be responsible for; and
 - (ii) indemnify the Shipper against,

any Claim or Loss (including legal costs on a full indemnity basis) suffered or incurred by the Shipper, including any liability to, or a claim by, a third party, as a direct result of the delivery by the Transporter at a Delivery Point of any Off-Specification Gas that the Shipper has not given notice under clause 13.4(a) or clause 13.4(d)(iii) that it will accept.
- (b) The Transporter will not be liable to the Shipper under clause 13.5(a) with respect to any Off-Specification Gas that the Shipper accepts under clause 13.4(a).

13.6 Limitations of liability

- (a) The sole remedy of a party in relation to Losses caused by or arising in connection with Off-Specification Gas are the rights to the indemnities provided for under this clause 13.
- (b) A party who is entitled to be indemnified under this clause 13 must take all reasonable steps to mitigate its Losses the subject of the indemnity. The indemnifying party's liability under the indemnity in this clause 13 will be reduced proportionally to the extent the indemnified party (or a Related Body Corporate of the indemnified party) has contributed to or caused the event the subject of the indemnity.

14. Metering

14.1 How metering to be conducted

The quantity and quality of Gas received at each Receipt Point and delivered at each Delivery Point will be measured in accordance with this clause 14 and the Measurement Manual.

14.2 Provision and operation of Measuring Equipment

- (a) The Transporter must, at its cost, provide, operate and maintain:
 - (i) the Measuring Equipment as required under this agreement; and
 - (ii) the Measuring Equipment as required under the terms of any agreement relating thereto under clause 32.
- (b) The Measuring Equipment will be owned by the Transporter and will:
 - (i) be designed and constructed in accordance with the Transporter's Metering Facility Design Guide (Document No: OP0000-EG-PH-GE-00003).;
 - (ii) perform measurement of volumes, mass and energy to a level of accuracy as detailed in the Measurement Manual;
 - (iii) be validated to procedures, and at intervals, as detailed in the Measurement Manual; and
 - (iv) provide measurement data to the Transporter's control room in a compatible format.

14.3 Delivery Point assumptions

The Transporter does not have to measure the quality or heating value of Gas at each Delivery Point, but may, for the purposes of this agreement, in accordance with Good Industry Practice, assume that the quality and heating value of the Gas delivered at one of the Shipper's Delivery Points is the same as the quality and heating value of the Gas delivered at another Delivery Point on the Pipeline, if it is reasonable to do so.

14.4 Check Measuring Equipment

- (a) The Shipper may, on its own account, pay for the installation, operation and maintenance of additional measuring equipment to check the accuracy of the Measuring Equipment (**Check Measuring Equipment**).
- (b) The Check Measuring Equipment must not interfere with the operation of any of the Measuring Equipment, or any other equipment owned or operated by the Transporter, or the provision of Service to other Pipeline Shippers.
- (c) If Check Measuring Equipment is to be installed on the Easement, the Shipper and the Transporter will agree the terms which will apply in connection with its installation, operation and maintenance (including access into the Easement and each parties' obligations and liabilities in respect of such installation, operation and maintenance).

14.5 Uniformity of flow

The Shipper must provide or cause to be provided such pulsation dampening equipment as may be necessary upstream of any Receipt Point or downstream of any Delivery Point to

ensure that any facilities do not cause interference with the accuracy of the Measuring Equipment due to non-uniform flow.

14.6 Measurement Manual

- (a) The Transporter must maintain an up to date version of a Measurement Manual on the Website.
- (b) The Measurement Manual must specify:
 - (i) the technical requirements for Measuring Equipment;
 - (ii) accuracy validation procedures; and
 - (iii) procedures for correction of readings from faulty Measuring Equipment.
- (c) The technical requirements in the Measurement Manual must be:
 - (i) in accordance with Good Industry Practice and conform to appropriate Australian and International standards and codes; and
 - (ii) modified where necessary to comply with Australian Standard AS 1000-1998.
- (d) The Transporter may amend the Measurement Manual at any time to reflect new technologies and standards consistent with the terms and conditions of this agreement and Good Industry Practice.

14.7 Inspection of equipment and records

The Shipper may, at any reasonable time during Business Hours and upon reasonable notice, inspect the records for the previous 12 Months pertaining to the validation, inspection and maintenance of Measuring Equipment applied to Gas transported for the Shipper's account through any of the Receipt Points or Delivery Points.

14.8 Validation of meters

- (a) At the Shipper's prior written reasonable request, the Transporter will permit the Shipper to be present at routine cleaning, repairing, inspection, validation or adjustment of the Measuring Equipment in accordance with the Measurement Manual.
- (b) If the Shipper reasonably believes that particular Measuring Equipment at any of the Receipt Points or Delivery Points are inaccurate, the Transporter must act within a reasonable period of time upon the Shipper's written request to validate the Measuring Equipment.

14.9 Payment for validations

- (a) If the Measuring Equipment is accurate within the tolerances set out in the Measurement Manual, the responsibility for the cost of validations under clause 14.8(b) will be held by the party that requests the validation.
- (b) At all other times, the responsibility for the cost of validation will be held by the Transporter.

14.10 Existing Facilities

For Receipt Points and Delivery Points connected to third party upstream or downstream gas transportation facilities, whether or not equipment is already installed for measuring or monitoring gas at those points (**Existing Facilities**), the Transporter may agree with the owner or operator of the Existing Facilities on matters that include:

- (a) necessary upgrades to the Existing Facilities to satisfy the requirements of this clause 14 and the Measurement Manual;
- (b) the methodology to allocate Gas at those points by the Transporter, the owner or operator of the Existing Facilities, or any of them;
- (c) the provision of access to all measurement and other relevant information produced or recorded for each Existing Facility;
- (d) the Shipper's reasonable rights of access to attend all validation and testing of the Existing Facilities; and
- (e) other operational matters.

15. Force Majeure

- (a) A party will not be in default of its obligations under this agreement to the extent that any failure or delay in the observance or performance of those obligations by that party is caused by a Force Majeure Event.
- (b) The Shipper will not be relieved of its obligation to pay any Pipeline Charges that become due and payable under this agreement during the occurrence of a Force Majeure Event affecting the Shipper.
- (c) If a party is affected by a Force Majeure Event, then as soon as reasonably practicable after the occurrence of the Force Majeure Event, it must notify the other party of the Force Majeure Event and give details of:
 - (i) the Force Majeure Event, including the date of commencement of the Force Majeure Event;
 - (ii) the nature and extent of the obligations affected by, or other consequences of, the Force Majeure Event and, if the affected party is the Transporter, the notice must include details of the reduction in available Capacity and any anticipated Curtailment;
 - (iii) the action that the affected party has taken and proposes to take to remedy the situation;
 - (iv) the affected party's estimate of the time during which it will be unable to carry out the affected obligations due to the Force Majeure Event; and
 - (v) the affected party's estimate of the costs it will incur to remedy the situation.
- (d) The affected obligation is suspended from the date the notice is given under clause 15(c) until the affected party is able to fulfil its obligations under this agreement (**Suspension Period**).
- (e) Notwithstanding clause 15(a), the party affected by the Force Majeure Event must:

- (i) use reasonable endeavours to mitigate the effect of the Force Majeure Event upon its performance of this agreement and to fulfil its obligations under this agreement and the other party must provide all reasonable assistance requested by the affected party;
 - (ii) keep the other party informed of the steps being taken to mitigate the effect of the Force Majeure Event upon its performance of this agreement, and an estimate of the continued duration of the delay or non-performance; and
 - (iii) when the period for which its obligations are affected by a Force Majeure Event ceases or abates to an extent that permits resumption of performance, notify the other party and recommence performance as expeditiously as possible of all of its affected obligations under this agreement the subject of its original notice under this clause.
- (f) Neither party will, by virtue of this clause 15, be required to:
- (i) adjust or settle any strike, lock out, ban or other industrial disturbance; or
 - (ii) make payment of, or otherwise give compensation in response to, or as a consequence or in settlement of, any Aboriginal Land Rights Claim, Native Title Claim or Heritage or Sacred Site Claim by or on behalf of indigenous peoples,

and the settlement of any strike, lockout, ban or other industrial disturbance or any Aboriginal Land Rights Claim, Native Title Claim or Heritage or Sacred Site Claim by or on behalf of indigenous peoples is entirely within the discretion of the party affected by the Force Majeure Event.

- (g) If the Suspension Period lasts for:
- (i) more than 12 consecutive Months; or
 - (ii) for an aggregate of 12 Months in any consecutive 24 Month period,
- then:
- (iii) either party may terminate the provision of the relevant Service in relation to any Path that is not able to be utilised as a result of the suspension; and
 - (iv) if that Path represents equal to or greater than 50% of the Operational MDQ for that Service, the Shipper or Transporter may, if the Suspension Period lasts for more than 12 consecutive Months or for an aggregate of 12 Months in any consecutive 24 Month period, terminate the provision of the whole of the relevant Service that is used to service that Path,
- provided that the Shipper and the Transporter:
- (v) implement the changes to the Operational MDQs, Receipt Points and Delivery Points resulting from the termination of the provision of the relevant Service in relation to that Path;
 - (vi) implement the changes to the Service Charges applicable to Receipt Points and Delivery Points resulting from the termination of the provision of the relevant Service in relation to that Path; and
 - (vii) unless the relevant Service has been terminated, execute an amended Annexure with respect to the relevant Service.

- (h) If a Service is terminated pursuant to clause 15(g), neither party will have any liability to the other party or have any further obligation to the other party in respect of that Service, but such termination will not affect any rights, powers, remedies, obligations, duties and liabilities of either party in respect of that Service that have accrued prior to the date of such termination or that are available under any Applicable Law or that are provided by this agreement to survive termination in respect of that Service, and any such rights, powers, remedies, obligations, duties and liabilities will continue to be enforceable notwithstanding such termination of a Service.

16. Curtailment to Services

16.1 Permitted Curtailment

- (a) If the Transporter Curtails all or any part of the Services in the following events or circumstances:
- (i) if a Force Majeure Event affects the Transporter's ability to provide the Services in accordance with clause 15;
 - (ii) Third Party Works;
 - (iii) in an emergency;
 - (iv) for planned and unplanned maintenance (other than a Compressor Maintenance Event);
 - (v) in order to comply with any Applicable Law;
 - (vi) at the direction of an Authority;
 - (vii) in order to protect life or property;
 - (viii) a Compressor Maintenance Event; or
 - (ix) if the Transporter suspends (wholly or partly) receipt of Gas at the Receipt Point due to the Shipper delivering Off-Specification Gas to such Receipt Point,
- and:
- (x) the Transporter has complied with clause 16.2;
 - (xi) for the purposes of clauses 16.1(a)(iii), 16.1(a)(v), 16.1(a)(vi) and 16.1(a)(vii), the requirement to comply with any Applicable Law, or prevent or abate any emergency situation, or comply with the direction of an Authority, or to protect life or property, did not arise as a result of any Wilful Misconduct of, or breach of this agreement by, the Transporter; and
 - (xii) the Transporter has acted in accordance with Good Industry Practice,
- then the Transporter will not be liable to the Shipper (and the Shipper must not make any Claim) for or arising out of, or in connection with, any Curtailment to the Services as a result of the events or circumstances set out in clause 16.1(a).
- (b) A Curtailment that is permitted by clause 16.1(a) is a **Permitted Curtailment**.

- (c) Despite clause 16.1(a), any Curtailment of the Services which has arisen from or has been caused by a curtailment of the Nitrogen Removal Services under the NRSA is a Permitted Curtailment.
- (d) The Transporter will use reasonable endeavours to minimise the duration of Curtailments associated with any Third Party Works, maintenance or a Compressor Maintenance Event including by co-ordinating the Third Party Works, maintenance or Compressor Maintenance Event to the Customer's Shutdowns where possible.

16.2 Notice of Curtailment

- (a) The Transporter must notify the Shipper as soon as reasonably practicable of an anticipated Curtailment or interruption including under clause 16.1.
- (b) Any notice from the Transporter under clause 16.2(a) must include, to the extent that the Transporter is aware:
 - (i) the anticipated times, dates and duration that the Services will be Curtailed;
 - (ii) the reason that the Services will be Curtailed; and
 - (iii) the extent to which the Transporter will be able to provide any Services during the Curtailment.

16.3 Adjustment to Pipeline Charges

The Shipper's liability to pay the Pipeline Charges will be proportionately reduced to the extent that all or any part of the Services is Curtailed due to:

- (a) a Force Majeure Event affects the Transporter's ability to provide the Services;
- (b) a Compressor Maintenance Event;
- (c) an event or circumstance listed in clauses 16.1(a)(ii) and 16.1(a)(iv), to the extent that the aggregate duration of the Curtailment caused by such event or circumstance exceeds 288 hours in a calendar year; or
- (d) an event or circumstance listed in clauses 16.1(a)(iii), 16.1(a)(v), 16.1(a)(vi) or 16.1(a)(vii), where the requirement to comply with any Applicable Law, or prevent or abate any emergency situation, or comply with the direction of an Authority, or to protect life or property, arose as a result of any Wilful Misconduct of, or breach of this agreement by, the Transporter.

16.4 Condition of Curtailment

The Transporter must ensure that any Curtailment ends as quickly as reasonably possible and with as little disruption to the Services as reasonably possible.

16.5 Priority during Curtailment

When allocating Capacity to Services during a Curtailment (including a Permitted Curtailment), the Transporter must allocate available Capacity by applying the Priority of Service.

16.6 Notice of planned alterations, maintenance and repairs

- (a) The Transporter must publish on the Website by the first Day of December each Contract Year a program for the following Contract Year outlining planned

alterations, maintenance and repairs that will affect Capacity (**Planned Maintenance Schedule**).

- (b) The Transporter must give the Shipper as much notice as is reasonably possible of any changes to the Planned Maintenance Schedule, including but not limited to any other planned alterations, maintenance or repairs to the Pipeline not detailed in the Planned Maintenance Schedule.
- (c) The Transporter will use reasonable endeavours to perform any alterations, maintenance or repairs:
 - (i) to avoid or minimise any Curtailment, so far as is reasonably practicable;
 - (ii) to occur during a period that has low aggregate demand for Capacity; and
 - (iii) to cause as little disruption to the provision of Service as is reasonably practicable.

17. Pipeline Charges

- (a) The Shipper must pay the Transporter the Pipeline Charges as calculated and escalated in accordance with this agreement, in the manner and times set out in clause 20.
- (b) Unless expressly provided for in this agreement, the Shipper is not relieved of its obligation to pay the Pipeline Charges in any event or circumstance.

18. Change of Law and Carbon Charges

18.1 Change of Law

- (a) If at any time after the Execution Date, a Change of Law directly or indirectly:
 - (i) has affected or affects the costs of the Transporter in respect of the Services or other things supplied or provided under or in connection with this agreement; or
 - (ii) has led or leads to a change in the benefits gained by the Transporter from the activities described in clause 18.1(a)(i) (except by operation of this clause 18.1),

and the increase or decrease in those costs or that change in benefit is not to be reimbursed under any other provision of this agreement or another Gas Transportation Agreement, at the election of the Transporter either:

- (iii) the Pipeline Charges may be adjusted; or
 - (iv) an amount may be payable by one party to the other,
- to reflect the impact on the Transporter, of the increase or decrease or the change in the costs or benefit, as the case may be, attributable to the Change of Law, in accordance with this clause 18.1.
- (b) Where any additional costs or charges under clauses 18.1(a)(i) or 18.1(a)(ii) relate to the provision of Services on the Pipeline by the Transporter to all Pipeline Shippers, then the Shipper's liability for those costs or charges will be allocated by the Transporter to the Shipper on a pro-rata basis by having regard to the each

Pipeline Shipper's Contractual MDQ for firm services under their respective agreement.

- (c) If a party (**Proposer**) proposes to vary the Pipeline Charges or that an amount be paid by one party to the other by reason of the matters set out in clause 18.1(a), the Proposer must give the other party (**Recipient**) a notice in writing as soon as practicable:
 - (i) identifying the relevant Change of Law; and
 - (ii) setting out reasonable details of:
 - A. the impact of the identified Change of Law on the Transporter; and
 - B. either:
 - 1) the proposed adjustment to the Pipeline Charges and the date the proposed adjustment will be effective; or
 - 2) the proposed amount to be paid by one party to the other and the date such payment will be made.
- (d) By no later than 30 days after the notice is given under clause 18.1(c), either party (the Proposer or Recipient) may give the other party a notice in writing stating that the party wishes to seek verification of the proposed adjustment to the Pipeline Charges or the proposed amount to be paid by one party to the other
- (e) Any adjustment to the Pipeline Charges, or any amount to be paid by one party to the other, set out in a notice given by the Proposer under clause 18.1(c) will be effective:
 - (i) if a party does not seek verification in accordance with clause 18.1(d), from the date the proposed adjustment to the Pipeline Charges is proposed to be effective, or the date the proposed amount to be paid by one party to the other is proposed to be paid (as set out in a notice given by the Proposer under clause 18.1(c));
 - (ii) if a party seeks verification in accordance with clause 18.1(d), from the date the parties agree to the adjustment of the Pipeline Charges; or
 - (iii) if the parties do not agree to the adjustment of the Pipeline Charges within 60 Days of the date of the notice given by the Proposer under clause 18.1(c), then the matter will be a Dispute.
- (f) If a final determination of the adjustment to the Pipeline Charges cannot be calculated for the period covered by an invoice issued under clause 20, then:
 - (i) the Transporter will make a reasonable estimate of the adjustment for the purposes of calculating the amount payable by the Shipper under that invoice;
 - (ii) when a final determination of the adjustment can be made, the Transporter will prepare a reconciliation for the Shipper showing any under or over payment;
 - (iii) if requested by the Shipper, the Transporter will promptly provide documentation reasonably required by the Shipper to allow verification of payment of that under or over payment; and

- (iv) the extent of the under or over payment will be credited or debited (as the case may be) in the next invoice, together with Interest for the relevant period at the Overdue Rate.
- (g) If a final determination of the amount to be paid by one party to the other cannot be calculated for the period covered by an invoice issued under clause 20, then the Transporter:
- (i) will make a reasonable estimate of the amount to be paid by one party to the other for the purposes of calculating the amount payable by the Shipper under that invoice;
 - (ii) when a final determination of the amount to be paid by one party to the other can be made, will prepare a reconciliation for the Shipper showing any under or over payment;
 - (iii) if requested by the Shipper, will promptly provide documentation reasonably required by the Shipper to allow verification of payment of that under or over payment; and
 - (iv) will credit or debit (as the case may be) the extent of the under or over payment in the next invoice, together with Interest for the relevant period at the Overdue Rate.

18.2 Carbon Charge

If the Transporter or any Related Body Corporate of the Transporter is required to pay any Carbon Charge in respect of the Services or any payment the Transporter receives from the Shipper under this agreement, then the Shipper must pay to the Transporter an additional amount that the Transporter determines to be necessary to ensure that the Transporter or any Related Body Corporate of the Transporter receives, when due, a net amount (after payment of any Carbon Charge (including in respect of each additional amount)) that is equal to the full amount it would have received if the payment of Carbon Charge had not been made.

18.3 Capacity Trading Reform

- (a) If, as a result of a change in Applicable Law, amendments are required to this document to accommodate any of secondary capacity trading reforms, an auction of contracted but unnominated capacity and/or gas day harmonisation, then the Transporter will notify the Shipper of the proposed amendments and the parties must negotiate in good faith and use best endeavours to reach agreement on any amendments necessary to ensure that:
 - (i) this document complies with the Applicable Law as changed; and
 - (ii) the Transporter is placed in the same position that it would have been in had such change not occurred.
- (b) Where the parties cannot reach agreement on any amendments necessary to ensure compliance with this clause, the matter will be referred for resolution pursuant to clause 23 and, if necessary, to an arbitrator under clause 26.

19. Goods and services tax (GST)

19.1 Interpretation

In this clause 19:

- (a) words and phrases used in this clause 19 that are defined in the GST Act have the same meaning as in that Act except that:
 - (i) **GST** has the meaning provided in clause 1;
 - (ii) **Supplier** means a party who makes a supply whether on behalf of another entity or otherwise; and
 - (iii) **Recipient** means a party who provides or is liable to provide consideration under this agreement for a supply;
- (b) unless otherwise expressly stated, all consideration to be provided under any other provision of this agreement is exclusive of GST. Any consideration that is specified to be inclusive of GST must not be taken into account in calculating the GST payable in relation to a supply for the purpose of this clause 19;
- (c) a reference to a supply is to a supply made under or in connection with this agreement;
- (d) any part of a supply that is treated as a separate supply for GST purposes (including attributing GST payable to tax periods) will be treated as a separate supply for the purposes of this clause 19;
- (e) a reference to GST payable by the Supplier includes any GST payable by the representative member of any GST group of which the Supplier (or the entity on whose behalf the Supplier is acting) is a member; and
- (f) a reference to input tax credits includes input tax credits to which an entity is notionally entitled in accordance with Division 177 of the GST Act and a reference to input tax credits to which an entity is entitled includes any input tax credits to which the representative member of any GST group to which that entity may belong is entitled.

19.2 Reimbursements and similar payments

Any payment or reimbursement required to be made under this agreement that is calculated by reference to an amount paid or incurred will be limited to the total amount less any input tax credit to which an entity is entitled for an acquisition to which the amount relates.

19.3 GST payable

Despite the other provisions of this agreement, if the Supplier is or becomes liable to pay GST in respect of any supply:

- (a) any amount payable or consideration to be provided in accordance with any other provision of this agreement for that supply is exclusive of GST;
- (b) the Recipient must pay to the Supplier an additional amount equal to the amount of that GST (**GST Amount**);
- (c) the Supplier must issue a valid Tax Invoice to the Recipient in respect of that supply; and
- (d) the GST Amount must be paid at the same time as the first part of any consideration is provided for that supply or on receipt of a valid Tax Invoice for the supply to which the additional amount relates, whichever is the later.

19.4 Variation of GST

If the GST Amount recovered by the Supplier from the Recipient under clause 19.3(a) for a supply differs for any reason from the amount of GST paid or payable by the Supplier on that supply, then the Recipient must pay to the Supplier on demand (or the Supplier credit the Recipient with) the amount of that difference. If any adjustment event occurs in relation to a supply, the Supplier must give the Recipient an Adjustment Note within 14 days after the date of the adjustment event.

20. Invoicing and payment

20.1 Invoices

On or before the 10th day of each Month, each party must deliver to the other party a written Tax Invoice or Adjustment Note (as required) (**Monthly Invoice**) setting out full details of the amounts payable by the other party under this agreement in relation to the previous Month. No Monthly Invoice is required to be delivered if no amounts are payable by the other party under this agreement in relation to the previous Month.

20.2 Due date

- (a) Subject to clause 20.4, a party must pay the amount of any Monthly Invoice by the 25th day of the Month.
- (b) If the due date for any payment to be made pursuant to this clause 20 is not a Business Day, the due date for payment will be the nearest preceding Business Day.

20.3 Method of payment

- (a) Except as otherwise agreed or provided, all payments required to be made under this agreement must be tendered by way of direct transfer of immediately available funds to the bank account nominated:
 - (i) in the case of the Shipper, in writing by the Shipper to the Transporter; and
 - (ii) in the case of the Transporter, the account nominated in the relevant Annexure or otherwise notified to the Shipper from time to time.
- (b) Any payment tendered under this agreement after 2:00 pm in the local time of the bank branch from which payment is made will be taken to have been made on the next succeeding Business Day after the date on which payment was tendered, and if that date is after the relevant due date for payment, Interest will accrue under clause 36.1 accordingly.

20.4 Disputed invoices

- (a) If either party has a bona fide dispute in respect of part or all of an invoice:
 - (i) the disputing party must pay the amount shown on each invoice as the amount it owes, even if that party disagrees with it. A party may only withhold payment of an amount in the case of manifest error and must pay the remaining balance; and
 - (ii) the disputing party must notify the other party in writing within 12 Months after receipt of the invoice, specifying the amount in dispute and the reasons for the dispute.

- (b) Upon receipt of a notice under clause 20.4(a)(ii), the non-disputing party must investigate the invoice as soon as possible and if applicable make an adjustment on a subsequent invoice (including any interest paid in accordance with clause 36.1), or where there is no subsequent invoice, issue a cheque to the disputing party of the adjustment amount.
- (c) This clause 20.4 survives the termination or expiry of this agreement.
- (d) Either party may refer the Dispute for determination at any time in accordance with this agreement.

20.5 Metering error

If, at any time, any of the Metering Equipment is found to be out of service or registering inaccurately:

- (a) it must be adjusted immediately to read accurately; and/or
- (b) by an amount exceeding one percent at a reading corresponding to the average rate of flow for the period since the immediately preceding test, an adjustment must be made for any period of inaccuracy definitely known or agreed upon or, if not known or agreed upon, for 50% of the period since the last validation test (**Adjustment Period**). The quantity of Gas delivered during the Adjustment Period must be estimated:
 - (i) by using the data recorded by any check-measuring equipment, if installed and accurately registering;
 - (ii) if the check-measuring equipment is not installed or registering accurately, by correcting the error if the percentage of error is ascertainable by validation, test, or mathematical calculation; or
 - (iii) if neither the method in clause 20.5(b)(i) nor the method in clause 20.5(b)(ii) is feasible, by estimating the quantity and/or quality delivered, based on previous deliveries under similar conditions during a period when the equipment was registering accurately.

20.6 Metering adjustment invoice

If an adjustment is to be made under clause 20.5(b), then:

- (a) the adjustment comprises the difference (if any) between the total amount invoiced and the total amount that would have been invoiced in relation to the Adjustment Period had the Metering Equipment read accurately;
- (b) the party entitled to receive the adjustment must deliver to the other party a written Tax Invoice setting out full details of the adjustment; and
- (c) this clause 20 applies to the Tax Invoice as if it were a Monthly Invoice.

20.7 Maintenance of records

The parties must keep and maintain proper books, records and documents including metering data relating to their billing and payment obligations under this agreement, and must retain all such records for a period of five years from their creation.

20.8 Final invoice

Within 30 days following the End Date, the Transporter must carry out a final reconciliation of the accounts between the Transporter and the Shipper and issue a final invoice in accordance with this clause 20.

20.9 Set-off

Without limiting any other right the Transporter may have under this agreement or otherwise at law, the Transporter may deduct or set-off from payments to the Shipper any amounts which the Shipper owes to the Transporter.

21. Audit rights

- (a) The Shipper is entitled, by giving at least 5 Business Days' notice to the Transporter to have an Independent auditor (**Auditor**) engaged by the Shipper, at the Shipper's expense, review the Transporter's records and documents for the sole purpose of verifying the Shipper's System Use Gas contribution.
- (b) The Transporter must give reasonable assistance to the Auditor, including answering any reasonable questions or requests for explanation or further information, provided, however, that nothing in this clause 21 obliges the Transporter to assist the Auditor if:
 - (i) doing so would cause the Transporter to breach its confidentiality obligations under any document to which the Transporter is a party; or
 - (ii) the Auditor refuses to execute a confidentiality agreement on terms satisfactory to the Transporter.
- (c) The Auditor will be engaged on the basis that the Auditor is not permitted to disclose to the Shipper any information disclosed to the Auditor by the Transporter other than the Shipper's correct System Use Gas contributions.

22. Default

22.1 Events of Default

An **Event of Default** occurs in respect of a party (**Defaulting Party**) if it commits:

- (a) a Financial Default; or
- (b) a Non-Financial Default.

22.2 Default Notice

- (a) If an Event of Default occurs, a party that is not the Defaulting Party (**Non-Defaulting Party**) may give the Defaulting Party a notice (**Default Notice**) stating particulars of the Event of Default and that it is a Default Notice under this clause 22.2.
- (b) Upon receipt of a Default Notice, the Defaulting Party has:
 - (i) in the case of a Financial Default, 7 Business Days to cure that Event of Default;
 - (ii) in the case of a Non-Financial Default that is capable of remedy, 30 Business Days to cure that Event of Default;

- (iii) in the case of a Non-Financial Default that is not capable of remedy, 30 Business Days to:
 - A. take the steps and do the things that the Non-Defaulting Party, acting reasonably, requires to ensure that the Event of Default will not be repeated; and
 - B. pay the Non-Defaulting Party a sum agreed between the parties, to compensate the Non-Defaulting Party for the Event of Default and its consequences.
- (c) Each of the periods in clauses 22.2(b)(i), 22.2(b)(ii) and 22.2(b)(iii) is a **Cure Period**.
- (d) During each of the Cure Periods in clauses 22.2(b)(ii) and 22.2(b)(iii) the Defaulting Party may, within 10 Business Days of the receipt of a Default Notice, notify the Non-Defaulting Party of:
 - (i) the actions required to remedy the Non-Financial Default or if the Non-Financial Default is not capable of remedy, the actions required to mitigate the effects of the Non-Financial Default;
 - (ii) the earliest date by which the Defaulting Party reasonably anticipates that the Non-Financial Default may be remedied or if the Non-Financial Default is not capable of remedy, when the effects will be mitigated; and
 - (iii) the program to be adopted by the Defaulting Party to achieve the outcome set out in clause 22.2(d)(ii),
(Proposed Cure Plan).
- (e) The Non-Defaulting Party must, within 5 Business Days of receipt of a Proposed Cure Plan, consult with the Defaulting Party to attempt to agree the Proposed Cure Plan (**Cure Plan**). The Cure Plan must set out the date by which the Non-Financial Default must be cured or if the Non-Financial Default is not capable of being cured, the date by which the effects of the Non-Financial Default will be mitigated and contain agreed actions to be taken by the Defaulting Party in relation to the Event of Default.
- (f) The Non-Defaulting Party is not obliged to agree the Cure Plan but will act reasonably in attempting to do so in accordance with clause 22.2(e).
- (g) If a Cure Plan is agreed by the parties, the Cure Period for the underlying Event of Default will be the relevant cure period agreed by the parties in the Cure Plan.
- (h) During the applicable Cure Period, the Defaulting Party must:
 - (i) where clause 22.2(b)(i) or 22.2(b)(ii) applies, diligently seek to remedy the relevant Event of Default; or
 - (ii) where clause 22.2(b)(iii) applies, take the steps described in clause 22.2(b)(iii) (as relevant),

and (in respect of a Non-Financial Default) must keep the Non-Defaulting Party informed on a regular basis (and at least weekly) of the progress of the Defaulting Party in doing so.

22.3 Remedies

If:

- (a) an Event of Default to which clause 22.2(b)(i) or 22.2(b)(ii) applies is not cured within the applicable Cure Period; or
- (b) the parties, acting reasonably, do not agree the sum to be paid to the Non-Defaulting Party does not comply with clause 22.2(b)(iii) within the applicable Cure Period,

the Non-Defaulting Party may by notice in writing to the Defaulting Party (without prejudice to any of its other rights under this agreement or any Applicable Law) exercise any or any combination of the following remedies:

- (c) terminate this agreement;
- (d) suspend the obligations of the Non-Defaulting Party under this agreement until the Event of Default is cured or the Defaulting Party has complied with clause 22.2(b)(iii)A, as applicable, or the Non-Defaulting Party gives notice to the Defaulting Party electing to terminate this agreement, without prejudice to any right to damages; or
- (e) sue the Defaulting Party for damages for that Event of Default and exercise any other available legal and equitable remedies (other than in respect of damages) including suing for specific performance, injunctive ruling or any other relief that it considers appropriate

22.4 Effect of termination

- (a) Nothing in this clause 22 in any way prejudices or limits any other rights or remedies of a party, whether under this agreement or otherwise at law, and whether against the other party or otherwise, in relation to any Event of Default or other default.
- (b) The termination of this agreement on any basis will not in any way prejudice or limit either party's liability to the other in respect of the events giving rise to the termination.

23. Dispute resolution procedure

23.1 Disputes generally

Any Dispute must be resolved in accordance with this clause 23 and clauses 24 to 26.

23.2 Notice of Dispute

Where a Dispute arises either party may give the other party written notice of the Dispute (**Notice of Dispute**). The Notice of Dispute must:

- (a) specify the Dispute;
- (b) provide particulars of the party's reasons for being dissatisfied; and
- (c) set out the position which the party believes is correct.

23.3 Continue to perform

Despite the existence of a Dispute, each party must continue to perform its obligations in accordance with this agreement.

23.4 Interlocutory relief

Nothing in this agreement prevents a party from seeking urgent interlocutory, injunctive or declaratory relief from a court.

24. Senior negotiations

24.1 Notification

Where a Notice of Dispute is given under clause 23.2, the Dispute must be referred to the Chief Executive Officers (or equivalent) of the Shipper and the Transporter (**Senior Representatives**) for resolution by negotiation.

24.2 Attempt to resolve Dispute

If a Dispute is referred for resolution by negotiation under clause 24.1, then:

- (a) the Senior Representatives must meet and attempt in good faith to resolve the Dispute (in whole or in part) within 20 Business Days after the date on which the notice under clause 24.1 is received (or such later date as the parties may agree); and
- (b) any agreement reached between the Senior Representatives will be reduced to writing, signed by or on behalf of each party and will be contractually binding on the parties.

25. Expert determination

25.1 Expert determination

If:

- (a) **(dispute unresolved by Senior Representatives)**: a Dispute which has been referred to the Senior Representatives for negotiation in accordance with clause 24.1 remains unresolved (in whole or in part) after the expiration of the period for negotiation referred to in clause 24.2(a); and
- (b) **(referral to expert)**: within 20 Business Days after the expiration of the period for negotiation referred to in clause 24.2(a) the parties agree, that the Dispute be referred to expert determination in accordance with this clause 25,

then those parts of the Dispute which remain unresolved will be referred to expert determination under clauses 25.2 to 25.6.

25.2 Selection of expert

- (a) **(Exchange of lists of 3 preferred experts)**: Within 5 Business Days after the date on which a Dispute is referred to expert determination under clause 25.1, if the Shipper and the Transporter are unable to agree on an expert to determine the Dispute, the Shipper and the Transporter must exchange lists of 3 persons (in order of preference) who, if appointed, would satisfy the requirements of clause 25.2(c), from whom the expert is to be chosen.
- (b) **(Appointment of person who appears on both lists)**: Any person that appears on both lists under clause 25.2(a) will be appointed as the expert to determine a Dispute and if more than one person appears on both lists the person given the highest order of priority by the party that gave the notice under clause 24.1 will be appointed.

- (c) **(Appointment if no person appears on both lists):** If no person appears on both lists, the party which gave the notice under clause 24.1 must procure the President of the Australian Centre for International Commercial Arbitration to nominate a person to act as the expert, having regard to, but not being bound by, those persons proposed by the parties under clause 25.2(a), within 10 Business Days after the exchange of notices under clause 25.2(a).
- (d) **(Appropriate skills):** It is the intention of the parties that the expert appointed to determine a Dispute will be an Independent person with appropriate skills having regard to the nature of the matters in dispute.
- (e) **(No entitlement to challenge appointment):** Neither party will be entitled to challenge the appointment of an expert under this clause 25.2 on the basis that the expert does not satisfy the requirements of clause 25.2(d).
- (f) **(Not an arbitration agreement):** Any agreement for expert determination under this agreement will not constitute an arbitration agreement for the purposes of the Commercial Arbitration (National Uniform Legislation) Act (NT).
- (g) **(Expert Determination Agreement):** Once an expert is appointed, the Shipper and the Transporter must enter into an agreement with the expert on the terms of the Expert Determination Agreement or such other reasonable terms as the expert may require.

25.3 Rules of expert determination

The expert determination process will be administered, and the expert will be required to act, under the terms of the Expert Determination Agreement or such other reasonable terms as the expert may require.

25.4 Expert finding

- (a) **(Notification):** The determination of the expert must be in writing and will be final and binding on the Shipper and the Transporter unless, within 15 Business Days after receipt of the determination, a party gives notice to the other party of its dissatisfaction and intention to refer the matter to arbitration in accordance with clause 26.
- (b) **(Amendment to determination):** Upon submission by either party, the expert may amend the determination to correct:
 - (i) a clerical mistake;
 - (ii) an error from an accidental slip or omission;
 - (iii) a material miscalculation of figures or a material mistake in the description of any person, thing or matter; or
 - (iv) a defect in form.

25.5 Liability of expert

- (a) **(Liability of expert):** The parties agree:
 - (i) that the expert will have no liability in connection with the expert determination, except in the case of fraud on the part of the expert; and
 - (ii) to indemnify the expert against any Claim made against the expert by any third person in connection with the expert's appointment to

determine the Dispute, except in the case of fraud on the part of the expert.

- (b) **(Engagement):** The Shipper and the Transporter will jointly engage the expert services in connection with the expert determination proceedings and each party will seek a separate Tax Invoice equal to its share of the costs of the expert.

25.6 Costs

The Shipper and the Transporter must:

- (a) bear their own costs in connection with the expert determination proceedings; and
- (b) pay an equal portion of the costs of the expert.

26. Arbitration

26.1 Reference to arbitration

- (a) **(Dispute):** If:
 - (i) a Dispute has been referred to expert determination under clause 25, and:
 - A. a determination is not made within 30 Business Days of the expert's acceptance of the appointment; or
 - B. a notice of dissatisfaction is given in accordance with clause 25.4(a); or
 - (ii) the parties do not agree to refer a Dispute to expert determination under clause 25,then the Shipper or the Transporter may notify the other that it requires the Dispute to be referred to arbitration.
- (b) **(Referral):** Upon receipt by the other party of a notice under clause 26.1(a), the Dispute will be referred to arbitration.

26.2 Arbitration

- (a) **(ACICA Rules):** Arbitration in accordance with this clause 26 will be conducted in accordance with the arbitration rules of the Australian Centre for International Commercial Arbitration (known as the ACICA Rules) and as otherwise set out in this clause 26.
- (b) **(Seat):** The seat of the arbitration will be Darwin, Northern Territory.
- (c) **(Language):** The language of the arbitration will be English.

26.3 Appointment of arbitrator

The parties will endeavour to agree on the person to be appointed as arbitrator, but if no such agreement is reached within 10 Business Days after the Dispute being referred to arbitration in

accordance with clause 26.1(b), the arbitrator will be appointed by the Australian Centre for International Commercial Arbitration.

26.4 General Principles for conduct of arbitration

- (a) **(Conduct of arbitration):** The parties agree that:
 - (i) they have chosen arbitration for the purposes of achieving a just, quick and cost-effective resolution of any Dispute;
 - (ii) any arbitration conducted in accordance with this clause 26 will not necessarily mimic court proceedings of the seat of the arbitration or the place where hearings take place (if different), and the practices of those courts will not regulate the conduct of the proceedings before the arbitrator; and
 - (iii) in conducting the arbitration, the arbitrator must take into account the matters set out in subparagraphs (a)(i) and (a)(ii).
- (b) **(Evidence in writing):** All evidence in chief must be in writing unless otherwise ordered by the arbitrator.
- (c) **(Evidence and discovery):** The rules for evidence and discovery will be the IBA Rules on the Taking of Evidence in International Arbitration current at the date of arbitration.
- (d) **(Oral hearing):** The oral hearing must be conducted as follows:
 - (i) any oral hearing must take place in Darwin, Northern Territory and all outstanding issues must be addressed at the oral hearing;
 - (ii) the date and duration of the oral hearing must be fixed by the arbitrator at the first preliminary conference. The arbitrator must have regard to the principles set out in clause 26.4(a) when determining the duration of the oral hearing;
 - (iii) oral evidence in chief at the hearing will be permitted only with the permission of the arbitrator for good cause;
 - (iv) the oral hearing must be conducted on a stop clock basis with the effect that the time available to the parties must be split equally between the parties so that each party has the same time to conduct its case unless, in the opinion of the arbitrator, such a split would breach the rules of natural justice or is otherwise unfair to one of the parties;
 - (v) not less than 5 Business Days prior to the date fixed for oral hearing each party must give notice of those witnesses (both factual and expert) of the other party that it wishes to attend the hearing for cross examination;
 - (vi) in exceptional circumstances the arbitrator may amend the date of hearing and extend the time for the oral hearing set pursuant to paragraph (d)(ii);
 - (vii) a party will not be bound to accept the written evidence of a witness submitted on behalf of the opposing party which is not challenged in cross-examination; and
 - (viii) each party is expected to put its case on significant issues in cross examination of a relevant witness called by the opposing party or, where

it seeks to challenge the evidence of a witness not called for cross-examination by reference to other evidence, to identify that evidence in its written opening submissions so that the opposing party may know the nature of and basis for the challenge to the written evidence of a witness.

- (e) **(Experts):** Unless otherwise ordered each party may only rely upon one expert witness in connection with any recognised area of specialisation.

26.5 Proportional liability

To the extent permitted by law, the arbitrator will have no power to apply or to have regard to the provisions of any proportional liability legislation which might, in the absence of this clause 26.5, have applied to any Dispute referred to arbitration in accordance with this clause 26.

26.6 Extension of ambit of arbitration proceedings

- (a) **(Extending Disputes):** Where:
- (i) a Dispute between the parties to this agreement is referred to arbitration in accordance with this clause 26; and
 - (ii) there is some other Dispute also between the parties to and under this agreement (whenever occurring),

the arbitrator may, upon application being made to the arbitrator by one or both of the parties at any time before a final award is made in relation to the first-mentioned Dispute, make an order directing that the arbitration be extended so as to include the other Dispute.

- (b) **(Arbitrator's order):** An arbitrator may make an order in accordance with clause 26.6(a) on such terms and conditions (if any) as the arbitrator thinks fit.

26.7 Award final and binding

- (a) **(Final and binding):** Subject to clause 26.7(b), any award will be final and binding on the parties.
- (b) **(Appeal):** Each party consents to any appeal to a court where that appeal is made under the Commercial Arbitration (National Uniform Legislation) Act (NT) on a question of law arising in connection with an arbitral award made pursuant to this clause 26.

26.8 Governing law of arbitration agreement

The law governing this arbitration agreement is the laws applying in the Northern Territory of Australia.

27. Exclusions and limitations of liability

27.1 Excluded Loss

- (a) **(No liability of the Shipper):** Notwithstanding any other provision of this agreement (including the definition of Loss) but subject to clause 27.1(b), the Shipper has no liability to the Transporter (whether in contract, in tort or otherwise) for any Excluded Loss suffered or incurred by the Transporter (or the Transporter's Associates), howsoever arising in respect of any event or circumstance under or in relation to this agreement and regardless of whether a Claim for same is made under this agreement or otherwise.

- (b) **(Exceptions to no Shipper liability):** The exclusion of liability of the Shipper under clause 27.1(a) does not apply to:
- (i) liability arising from any criminal act or fraud on the part of the Shipper or any of its Related Bodies Corporate or their respective officers or employees;
 - (ii) liability arising from any Wilful Misconduct on the part of the Shipper or any of its Related Bodies Corporates or their respective officers or employees;
 - (iii) liability arising from any loss of or damage to third party property or injury to, disease or death of a natural person which has been caused or contributed to by the Shipper or any of its Associates;
 - (iv) liability to pay the Transporter the Pipeline Charges (including any Pipeline Charges that would have been payable by the Shipper to the Transporter under this agreement but for the termination of this agreement by the Transporter for a Financial Default or Non-Financial Default of the Shipper or the wrongful termination or repudiation of this agreement by the Shipper);
 - (v) liability of the Shipper under this agreement to pay the Transporter any interest under clause 36.1; or
 - (vi) the extent that the parties cannot, by law, limit or exclude the relevant liability.
- (c) **(No liability of the Transporter for Excluded Loss):** Notwithstanding any other provision of this agreement (including the definition of Loss), but subject to clause 27.1(d), the Transporter has no liability to the Shipper (whether in contract, in tort or otherwise) for any Excluded Loss suffered or incurred by the Shipper (or the Shipper's Associates), howsoever arising in respect of any event or circumstance under or in relation to this agreement and regardless of whether a Claim for same is made under this agreement or otherwise.
- (d) **(Exceptions to no Transporter liability):** Subject to clause 27.2, the exclusion of liability of the Transporter under clause 27.1(c) does not apply to:
- (i) the extent that such liability has arisen from any criminal act or fraud on the part of the Transporter or its officers or employees;
 - (ii) the extent that such liability has arisen from any Wilful Misconduct on the part of the Transporter or its officers or employees;
 - (iii) the liability of the Transporter under this agreement to pay the Shipper any interest under clause 36.1; or
 - (iv) the extent that the parties cannot, by law, limit or exclude the relevant liability.

27.2 Limitation of liability

- (a) Notwithstanding any other provision of this agreement but subject to clause 27.2(b) and 27.2(c), the aggregate liability of the Transporter howsoever arising in respect of, under, or in connection with this agreement (whether in contract, in tort or otherwise) (including any liability of the Transporter for Excluded Loss contemplated under clause 27.1(d)), will in no event exceed:

- (i) in any 12 month period commencing on and from the Execution Date, an amount equal to 50% of the Transportation Charges for the Firm Forward Haul Transportation Service for that period under this agreement, in aggregate; or
- (ii) subject to clause 27.2(a)(i), an amount equal to 50% of the Transportation Charges for the Firm Forward Haul Transportation Service for the relevant 12 month period under this agreement, in aggregate, in respect of any single Claim or series of Claims arising out of the same event or circumstance,

(General Liability Limitation).

- (b) The General Liability Limitation under clause 27.2(a)(i) and 27.2(a)(ii) will be reduced by the same proportion that the number of days in the period immediately prior to the End Date or the earlier termination of this agreement bears to a 365 day year, where that period is less than 12 months.
- (c) The General Liability Limitation under clause 27.2(a) does not apply to any liability of the Transporter for or in respect of:
 - (i) any liability arising from any criminal act or fraud on the part of the Transporter or its officers or employees; or
 - (ii) any liability arising from any Wilful Misconduct on the part of the Transporter or its officers or employees.

27.3 Operational Transfers

Subject to the terms of this agreement and only to the extent the Shipper has transferred Contracted Capacity (either through a Bilateral Trade or Exchange Trade), the Shipper will have no liability to the Transporter:

- (a) for, or relating to, any use by another person of the Contracted Capacity the subject of an Operational Transfer; or
- (b) for, or relating to, any act or omission of another person relating to the Contracted Capacity the subject of an Operational Transfer.

28. Confidential Information and disclosure

28.1 Confidential Information and disclosure

Subject to clauses 28.2, 28.3 and 28.4, neither party will disclose or permit the disclosure of the Confidential Information without the prior written consent of the other party.

28.2 Exceptions to Confidentiality

Any party may disclose Confidential Information which:

- (a) at the time when it is disclosed or communicated to or created, ascertained, discovered or derived by the party, is publicly known;
- (b) at the time when it is disclosed, is already known to the party through some independent means not involving breach of any confidentiality undertaking owed pursuant to clause 28.1;
- (c) after the time when it is disclosed or communicated to or created, ascertained, discovered or derived by 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;
or

- (d) is required to be disclosed by any Applicable Laws, judicial processes, any Authority, federal, state or local or the rules or regulations of any recognised stock exchange, to the extent so required, and the disclosing party will promptly notify the other party of that requirement prior to the disclosure.

28.3 Permitted disclosure

Any party may disclose Confidential Information to:

- (a) its directors and employees;
- (b) its consultants, lawyers, auditors, potential equity investors, bona fide potential purchasers of the Pipeline (in the case of the Transporter), financial institution or rating agency to the extent required in relation to the financing of a party's business activities, bankers and financial advisers;
- (c) a Related Body Corporate (or any of its officers, employees, consultants, financiers, auditors, bankers or financial advisers or lawyers) of a party; or
- (d) any potential assignee of the rights and interests of a party under this agreement or a third party to the extent required for the purposes of any proposed sale of its share capital or any proposed sale of the share capital of a related body corporate or any relevant part of its business undertaking (including, in the case of the Transporter, any sale of the Pipeline),

to the extent those persons have a need to know the Confidential Information, provided that the disclosing party is responsible for ensuring those persons keep the Confidential Information confidential and that those persons comply with the confidentiality obligations of the disclosing party set out in this clause 28.

28.4 Disclosure by Transporter

The Transporter may disclose:

- (a) Confidential Information to any shareholders of SGSP (Australia) Assets Pty Ltd; or
- (b) the Shipper's Nomination for a Receipt Point for a Day to any relevant gas producers.

28.5 Injunctive relief

Each party acknowledges that damages are not a sufficient remedy for a party for any breach of this clause 28 and such party and its Related Bodies Corporate are entitled to specific performance or injunctive relief (as appropriate) as a remedy for any breach or threatened breach by the other party in addition to any other remedies that may be available to such other party at law or in equity.

29. Assignment

29.1 Assignment by the Transporter

- (a) Except as expressly permitted by this agreement, the Transporter must not assign any right, title, benefit or interest in, or transfer or novate any obligation, duty or liability under, this agreement to any person without:
 - (i) the Shipper's prior written consent, such consent not to be unreasonably withheld or delayed; and

- (ii) the proposed assignee, transferee or novatee:
 - A. having the technical, operational and financial resources to meet the Transporter's obligations under this agreement; and
 - B. entering into a deed pursuant to which it agrees to assume, and be bound by and perform, the obligations, duties and liabilities of the Transporter under this agreement.
- (b) The Transporter may assign any right, title, benefit or interest in or transfer or novate any obligation, duty or liability under, this agreement without the Shipper's consent if the proposed assignee, transferee or novatee:
 - (i) is a Related Body Corporate of the Transporter;
 - (ii) has the technical, operational and financial resources to meet the Transporter's obligations under this agreement; and
 - (iii) enters into a deed pursuant to which it agrees to assume, and be bound by and perform, the obligations, duties and liabilities of the Transporter under this agreement.

29.2 Financiers' securities

The Transporter may guarantee the obligations of SGSP (Australia) Assets Pty Ltd in favour of any financier under any financing arrangements of SGSP (Australia) Assets Pty Ltd.

29.3 Assignment by the Shipper

- (a) Subject to clause 29.3(b), the Shipper must not assign any right, title, benefit or interest in, or transfer or novate any obligation duty or liability under, this agreement or otherwise dispose of all or any part of its interest in this agreement without:
 - (i) the Transporter's prior written consent, such consent not to be unreasonably withheld or delayed; and
 - (ii) the proposed assignee, transferee or novatee:
 - A. having the technical, operational and financial resources to meet the Shipper's obligations under this agreement; and
 - B. entering into a deed pursuant to which it agrees to assume, and be bound by and perform, the obligations, duties and liabilities of the Shipper under this agreement.
- (b) The Shipper may assign any right, title, benefit or interest in, or transfer or novate any obligation duty or liability under, this agreement or otherwise dispose of all or any part of its interest in this agreement without the Transporter's consent, if:
 - (i) it has provided the Transporter with written details of the proposed transferee and the terms and conditions of the proposed transfer;
 - (ii) it has the technical, operational and financial resources to meet the Shipper's obligations under this agreement; and
 - (iii) the proposed transferee has agreed to enter into a deed pursuant to which it agrees to assume and be bound by and perform, the obligations, duties and liabilities of the Shipper under the relevant agreements.

30. Ongoing Support

30.1 Refusal of Supply

The Transporter will not be required to supply the Service to the Shipper, and may suspend (completely or partially) provision of the Service to the Shipper if:

- (a) an Event of Insolvency occurs in respect of the Shipper; or
- (b) after the Transporter's request, the Shipper fails within a reasonable period to establish or confirm the Shipper's creditworthiness in accordance with clause 30.2,

but the Shipper's obligation to pay money under this agreement is in no way thereby reduced.

30.2 Creditworthiness

- (a) At any time during the term of this agreement, the Transporter may request in writing, and if so requested the Shipper must provide:
 - (i) its most recent audited financial statements (or if the Transporter acting reasonably so requests, the Shipper will also provide its most recent unaudited financial statements);
 - (ii) evidence of debt and/or corporate credit ratings; and
 - (iii) other information that the Transporter reasonably requests to establish or confirm the Shipper's creditworthiness.
- (b) All information the Shipper provides for credit evaluation purposes will be used by the Transporter solely for this purpose and subject to clause 28, will be held in confidence.
- (c) The Transporter will establish credit limits based on the level of requested Service and the Shipper's creditworthiness as established by the Transporter's analysis of the Shipper's financial strength, taking into consideration (but in no way limited to) analysis of three (3) years of the Shipper's audited financial statements demonstrating adequate financial strength to justify the amount of the credit the Transporter is to extend to the Shipper.

30.3 Adequate Assurance

- (a) If, in the Transporter's reasonable opinion, one or more events have occurred that have caused or will cause a material adverse change in the Shipper's financial standing or creditworthiness (or, if the Shipper's net financial obligations under this agreement have been fully guaranteed or otherwise secured, one or more events have occurred that in the Transporter's reasonable opinion have caused or will cause a material adverse change in the financial standing or creditworthiness of the guarantor or other party providing such security (each a **Guarantor**)) in a matter and to an extent that materially and adversely affects the Shipper's ability to perform its financial or other obligations under this agreement, the Transporter may request in writing that the Shipper provide the Transporter with one of the following:
 - (i) an irrevocable guarantee of the Shipper's financial performance under this agreement issued by an entity acceptable to the Transporter and in a form and substance reasonable satisfactory to the Transporter;
 - (ii) a satisfactory irrevocable letter of credit in an amount equivalent to the Shipper's net financial obligations under this agreement, which letter of credit must be issued by a financial institution with a long term senior

unsecured debt rating of at least A- by Standard & Poors, A3 by Moody's or B from Fitch ICBA (each a **Letter of Credit Collateral**); or

(iii) other arrangements satisfactory to the Transporter,

(each, an **Adequate Assurance**).

- (b) If the Shipper does not provide the Transporter with Adequate Assurance within 14 Days of the Transporter's request, the Transporter may suspend the performance of any and all of their obligations under this agreement until the Shipper has provided the requested Adequate Assurance.
- (c) The Transporter may hold the Adequate Assurance for as long as it has a reasonable good faith belief that the Shipper's ability to perform its financial or other obligations under this agreement is materially impaired.

31. Change of control

The Shipper must, as soon as practicable after a Change of Control of the Shipper occurs, notify the Transporter of:

- (a) details of the proposed person obtaining such Control; and
- (b) a description of that Change of Control of the Shipper.

32. Additional receipt and delivery points and variations

32.1 Existing Receipt Points or Delivery Points

- (a) The Shipper may propose a variation of:
- (i) Receipt Points, except in the case of Receipt Points for an As-Available Park and Lend Service; or
- (ii) Delivery Points, except in the case of Receipt Points for an As-Available Park and Lend Service,
- by giving written notice to the Transporter, at least 30 Days before the proposed change.
- (b) The Transporter must agree to the proposed variation subject to:
- (i) availability of Capacity on the Pipeline that is not contracted to any other Pipeline Shipper;
- (ii) the Shipper agreeing that after implementation of the requested variation it will continue to pay, as a minimum, the Pipeline Charges paid by the Shipper under the terms of this agreement immediately prior to implementation of the requested variation; and
- (iii) the Shipper agreeing to pay any reasonable additional charges to allow the Transporter to recover the reasonable, documented, additional costs (if any) of operating the Pipeline or Receipt Point or Delivery Point facilities incurred as the result of the requested change to the Path (**Shipper-Specific Facility Charges**). The Transporter can levy the Shipper-Specific Facility Charges as a lump sum, periodic payment or by reference to contract volumes.

- (c) The Transporter does not have to agree to a proposed variation more frequently than once every three (3) Months.
- (d) Changes arising under this clause 32.1 will only be considered effective upon the execution of an amended Annexure with respect to that Service.

32.2 The Shipper may request new Receipt Points or Delivery Points

- (a) The Shipper may in accordance with clauses 32.2 to 32.5, request to add a new receipt point or delivery point by making a written request (**Shipper's Request**) to the Transporter which will include, to the extent practicable, in relation to the addition of a new receipt point or delivery point (as applicable):
 - (i) details of the Connection Works;
 - (ii) any proposed reallocation of the Shipper's existing Contractual MDQs on a Receipt Point or Delivery Point on a Path to the new receipt point or delivery point, as relevant; and
 - (iii) the proposed Contractual MDQs for the Path and start date for the point, on the basis that the Shipper's Request must provide sufficient notice to enable the Transporter to facilitate the inclusion of that receipt point as a Receipt Point or that delivery point as a Delivery Point (as the case may be) under this agreement.
- (b) The Transporter must keep the Shipper's Request confidential and must only use the information contained in the Shipper's Request for the purposes of clauses 32.2 to 32.5.

32.3 The Transporter's obligations

The Transporter must act reasonably and in accordance with Good Industry Practice in considering any Shipper's Request.

32.4 Scope of Connection Works

The scope of works for any new receipt point or delivery point may include:

- (a) identifying the new delivery point or receipt point, including the proposed location, type and use of the point;
- (b) providing a hot tap;
- (c) installing a length of pipe from the hot tap to the edge of the Pipeline right of way;
- (d) providing an isolation valve/valves (as required);
- (e) providing a blank flange for connection;
- (f) integrating the new delivery point or receipt point data collection system into the Pipeline SCADA system;
- (g) approving the connection of the delivery point facility or receipt point facility (including any design, and the inspection of the works) to the Pipeline; and
- (h) any other works consistent with the tasks set out in clauses 32.4(a) to 32.4(g) inclusive,

(Connection Works).

32.5 The Transporter's proposals

- (a) Subject to clause 32.5(b), the Transporter must prepare and provide to the Shipper a preliminary proposal following receipt of a Shipper's Request as soon as reasonably practicable, on the basis that:
- (i) in the case of either a new receipt point or a delivery point where:
 - A. there is sufficient Capacity to accommodate the supply of Gas to the new receipt point or new delivery point (as applicable) at the requested Contractual MDQ for that path;
 - B. the new receipt or delivery (as applicable) of Gas up to the proposed Contractual MDQ for that path would not prevent the Transporter from meeting its obligations to comply with its Gas Transportation Agreements with the Shipper, and all other Pipeline Shippers; and
 - C. it is technically and operationally feasible for the Transporter to undertake the request (acting reasonably and in accordance with Good Industry Practice),the preliminary proposal will be limited to delivering the Connection Works; and
 - (ii) if clause 32.5(a)(i) does not apply, the preliminary proposal will include a proposal for the delivery of the Connection Works and any works needed to upgrade the Pipeline (**Upgrade Works**) so that the Shipper's Request can be satisfied.
- (b) Notwithstanding anything in this agreement, the Transporter will not be required to provide the preliminary proposal, unless prior to the Transporter commencing work required to provide the preliminary proposal the Transporter and the Shipper agree:
- (i) the required level of accuracy (expressed as a plus or minus percentage) of the adjustment to the Tariffs for the performance of the Connection Works and Upgrade Works;
 - (ii) the cost of undertaking any engineering assessments and other work based on the accuracy level in clause 32.5(b)(i); and
 - (iii) the time by which the Transporter must provide the preliminary proposal, which must be not more than three months from the date upon which the Transporter and the Shipper agree upon the matters set out in clauses 32.5(b)(i) and 32.5(b)(ii) if the accuracy level in clause 32.5(b)(i) is not more accurate than +/- 50%.
- (c) The Shipper may accept the Transporter's preliminary proposal by notifying the Transporter in writing within one month of receipt of the preliminary proposal.
- (d) If the Shipper accepts a preliminary proposal in accordance with clause 32.5(b):
- (i) the Transporter will undertake the Connection Works and Upgrade Works (as applicable) in accordance with the preliminary proposal at the Shipper's cost; and
 - (ii) the parties must execute an amendment to any relevant Annexure, provided that:

- A. the existing terms and conditions of the Annexure will apply except that the Pipeline Charges and Contractual MDQs for the path between the new receipt point or delivery point (if applicable) will be as specified in the preliminary proposal; and
 - B. any new Capacity created as a result of any Upgrade Works in accordance with the preliminary proposal must be contracted by the Shipper under the relevant Service for a period of not less than 5 years from the completion of the Upgrade Works and the Capacity becoming available, unless otherwise agreed.
- (iii) If the Shipper does not accept the Transporter's preliminary proposal in accordance with clause 32.5(b), the Shipper must pay the Transporter its reasonable, documented costs of preparing the preliminary proposal.

32.6 Firm Back Haul Transportation Service

- (a) The Shipper may request the Transporter to provide a Firm Back Haul Transportation Service (a **Proposed Reverse Flow Variation**) by giving written notice to the Transporter which will include:
 - (i) the Shipper's proposed Contractual MDQ for each Path for the Firm Back Haul Transportation Services; and
 - (ii) the proposed changes (if any) to the Receipt Point, Delivery Point, Contractual MDQ for any other Service.
- (b) The Shipper acknowledges that in order to provide the Firm Back Haul Transportation Services, the predominant physical flow of the Pipeline must be from KP 622 to KP 0.
- (c) The Transporter will include in its consideration of the Proposed Reverse Flow Variation, the following:
 - (i) availability of Capacity on the Pipeline that is not contracted to any other Pipeline Shipper and not likely to be contracted to a prospective shipper; and
 - (ii) any necessary approvals, permits, licenses, clearances required by any Applicable Law, and equipment and materials required to construct and commission capital improvements required to give effect to the Proposed Reverse Flow Variation.
- (d) If the Transporter accepts the Proposed Reverse Flow Variation, the Shipper will:
 - (i) after implementation of the Proposed Reverse Flow Variation, continue to pay, as a minimum, the Pipeline Charges paid by the Shipper under the terms of this agreement immediately prior to implementation of the Proposed Reverse Flow Variation;
 - (ii) pay any surcharges that result from the Proposed Reverse Flow Variation. The Transporter may levy a surcharge as a lump sum, periodic payment or by reference to contract volumes; and
 - (iii) pay any reasonable additional charges to allow the Transporter to recover the reasonable, documented, additional costs relating to the Proposed Reverse Flow Variation or of operating the Pipeline or Receipt Point or Delivery Point facilities incurred as the result of the Proposed

Reverse Flow Variation. The Transporter may levy these charges as a lump sum, periodic payment or by reference to contract volumes; and

the Annexure for the Firm Forward Haul Transportation Service will be amended (as necessary) to reflect the requirements in clauses 32.6(d)(i) to clause 32.6(d)(iii) (inclusive), and any other conditions agreed between the parties.

- (e) Changes under this clause 32.6 will only be considered effective upon the execution of an Annexure with respect to that Service.

33. Personal Property Securities Act

- (a) Each party (as **Grantor**) must co-operate with the other party (as **Secured Party**) to assist the Secured Party to register financing statements under the PPSA in respect of each PPSA Security Interest granted by the Grantor under this agreement and the Grantor agrees to, at such times as may be requested by a Secured Party to maintain any priority that can be obtained by registration at that time and as reasonably required by the Secured Party, obtain consents, sign and produce documents, get documents completed and signed, and supply information which the Secured Party asks for and considers reasonably necessary for the purposes of enabling the Secured Party to apply for any registration, or give any notification, in connection with the security interest. Unless otherwise agreed by all parties, no party is required to assist a Secured Party to perfect its PPSA Security Interest under the PPSA by any means other than registration of such financing statements.
- (b) Despite any other clause in this agreement or in any transaction in connection with this agreement, each party agrees that, to the extent permitted by Applicable Law:
 - (i) for the purposes of sections 115(1) and 115(7) of the PPSA:
 - A. the Secured Party need not comply with sections 95, 118, 121(4), 125, 130, 132(3)(d) or 132(4) of the PPSA; and
 - B. sections 142 and 143 of the PPSA are excluded;
 - (ii) for the purposes of s115(7) of the PPSA, the Secured Party need not comply with sections 132 and 137(3) of the PPSA in relation to this agreement (or any transaction in connection with it); and
 - (iii) if the PPSA is amended after the Execution Date to permit the Grantor and the Secured Party to exclude other provisions of the PPSA, the Grantor and the Secured Party may agree in writing not to comply with any of those provisions in relation to this agreement (or any transaction in connection with it).
- (c) To the extent permitted by Applicable Law, the Grantor waives its rights to receive:
 - (i) any notice required under any provision of the PPSA (including a notice of a verification statement in relation to security interests under this agreement (or any transaction in connection with it); and
 - (ii) any notice, or lapse of time, that is required by any other law before a Secured Party or Receiver exercises a right, power or remedy under this agreement (or any transaction in connection with it),

however, nothing in this clause prohibits the Secured Party or any Receiver from giving a notice under the PPSA or any other Applicable Law.

- (d) Everything that a party is required to do under this clause 33 is at that party's expense.

34. Representations, reliance and warranties

34.1 Shipper's representations and warranties

The Shipper represents and warrants that:

- (a) **(power to execute and perform)**: it has the power to execute, deliver and carry out its obligations under this agreement and all necessary action has been taken to authorise that execution, delivery and performance;
- (b) **(validity)**: this agreement constitutes a valid and legally binding obligation on it in accordance with its terms;
- (c) **(legality)**: the execution, delivery and carrying out of its obligations under this agreement does not violate any law to which the Shipper is subject.
- (d) **(no trust relationship)**: except as stated in this agreement, it is not the trustee or responsible entity (as defined in the Corporations Act) of any trust nor does it hold any property subject to or impressed by any trust; and
- (e) **(licence and permits)**: the Shipper will have at all times all licences and permits required by law regarding dealing with Gas transported by the Pipeline;
- (f) **(required arrangements)**: the Shipper has made or, prior to the Service Start Date applicable to a Path under the agreement will have made, all necessary or required arrangements for the pressure regulation, temperature regulation and measurement (for the purposes of allocation of quantities between Pipeline Shippers at shared Receipt Points and Delivery Points) of Gas transported on the Shipper's behalf;
- (g) **(Receipt Point)**: the Shipper will ensure that the person who delivers the Gas on its account at its Receipt Points will at all times have the right or obligation to deliver it;
- (h) **(Delivery Point)**: the Shipper will ensure that the person to whom the Gas is delivered on its account under this agreement at each of its Delivery Points will at all times have the right to receive it; and
- (i) **(Delivery Point arrangements)**: the Shipper will ensure that the necessary upstream and downstream Gas supply arrangements will at all times be in place so that its scheduled quantities and nominated quantities of Gas can be received and delivered by the Transporter.

34.2 Transporter's representations and warranties

The Transporter represents and warrants that:

- (a) **(power to execute and perform)**: it has the power to execute, deliver and carry out its obligations under this agreement and all necessary action has been taken to authorise that execution, delivery and performance;
- (b) **(legality)**: the execution, delivery and carrying out of its obligations under the agreement to which it is a party does not and will not violate any law or any document or agreement to which it is a party or which is binding on it or any of its assets;
- (c) **(validity)**: the agreement constitutes a valid and legally binding obligation on it in accordance with its terms;

- (d) **(registration)**: it is duly registered, properly constituted and remains in existence;
- (e) **(necessary licences)**: it will obtain, or holds and will continue to hold all Approvals in order to lawfully execute, deliver and carry out its obligations under this agreement; and
- (f) **(no trust relationship)**: except as stated in this agreement, it is not the trustee or responsible entity (as defined in the Corporations Act) of any trust nor does it hold any property subject to or impressed by any trust.

34.3 Repetition of representation and warranties

Each representation and warranty given by the Shipper or the Transporter under this agreement:

- (a) **(date of agreement)**: is made on the Execution Date; and
- (b) **(repetition)**: will be deemed to be repeated each day during the period from the Execution Date to the expiry or termination of this agreement,

with reference to the facts and circumstances then subsisting.

34.4 Implied warranties

To the fullest extent permitted by law, except as expressly stated in this agreement, the parties agree that any warranty that might otherwise be implied by law, including with regards to the fitness of the Gas for any particular purpose and as to its merchantability, is excluded from, and forms no part of, this agreement.

34.5 Notification by party

Each party will immediately notify the other party if it becomes aware that any representation or warranty made by it in this agreement (including each representation and warranty in this clause 34) is, or is likely to become, untrue or incorrect to any extent.

34.6 No representation or reliance

- (a) Except as expressly stated in this agreement, each party acknowledges that no party (nor any person acting on a party's behalf) has made any representation or other inducement to it to enter into this agreement.
- (b) Except as expressly stated in this agreement, each party acknowledges and confirms that it has not entered into this agreement in reliance on any representation or other inducement by or on behalf of the other party.

35. Notices and other communications

35.1 Operational Communications

- (a) Any emergency operational communications given by or on behalf of either party may be by telephone or other instantaneous means of communication. The parties will ensure that logs are kept in which persons giving and receiving emergency operational communications record brief details of their substance and timing.
- (b) Operational communications for the submission of manual Nominations and general operational enquiries are to be communicated through the following means:
 - (i) by telephone on: 1300 334 954 or such other number as may be notified from time to time;

- (ii) by email at: pipelines@jemena.com.au or such other email address as may be notified from time to time; or
 - (iii) such other method satisfactory to both parties,
- to recipients notified by the parties to each other from time to time.

35.2 Formal notices

All communications (including advices, notices, consents, approvals, requests and demands) under this agreement:

- (a) must be addressed as follows (or as otherwise notified by that party to the other party from time to time):

if to the Shipper:

Name: [Insert]
Physical Address: [Insert]
Postal Address: [Insert]
Email: [Insert]
For the attention of: [Insert]

if to the Transporter:

Name: Jemena Northern Gas Pipeline Pty Ltd
Physical Address: Level 16, 567 Collins Street, Melbourne, Victoria, 3000
Postal Address: Level 16, 567 Collins Street, Melbourne, Victoria, 3000
Email: Nerise.Cook@jemena.com.au

Copy to pipelines.commercial@jemena.com.au

For the attention of: Nerise Cook; and

- (b) are subject to clause 35.3.

35.3 Notice requirements

- (a) Any communication (except operational communications under clause 35.235.1, including nominations and notifications complying with clause 6)) in connection with this agreement:
 - (i) **(in writing)**: must be in writing;
 - (ii) **(addressed)**: must be addressed as specified in clause 35.2;
 - (iii) **(signed)**: must be signed by the party making the communication or (on its behalf) by the solicitor for, or any attorney, director, secretary or authorised agent or authorised signatory of, that party. Each party consents to the use by the other party of electronic signatures;
 - (iv) **(form of delivery)**: must be delivered by hand or posted by prepaid post to the address or emailed (in the form agreed by both parties) to the email address, of the addressee, under clause 35.2; and
 - (v) **(taken to be received)**: are taken to be received by the addressee at the address of the addressee under clause 35.2:
 - A. in the case of delivery by hand, on delivery at the address of the addressee, unless that delivery is outside Business

Hours, in which case that communication is taken to be received at 9:00 a.m. on the next Business Day;

- B. in the case of prepaid post, on the third Business Day after the date of posting to an address within Australia, and on the fifth Business Day after the date of posting by airmail to an address outside Australia; and
 - C. in the case of email, when the email (including any attachment) has been recorded as sent in the sender's email records provided that where an "out of office" or "delivery notification failure" reply or similar response is delivered to the computer from which the email was sent, the email will not be taken to be received and the sender must use an alternative method of sending the notice in accordance with this clause 35.3.
- (b) A party may change its address for notice by delivering notice to the other party in the manner provided for above.

36. Miscellaneous

36.1 Interest on overdue amounts

- (a) **(Interest):** If a party fails to pay any amount payable by that party to the other party within the time required under this agreement, then it must pay Interest on that amount:
- (i) from the date on which payment was due and payable until the date on which payment is made;
 - (ii) calculated on daily balances at the Overdue Rate; and
 - (iii) capitalised monthly.
- (b) **(Sole entitlement):** The amount specified in this clause 36.1 will be a party's sole entitlement to interest, including damages for loss of use of, or the cost of borrowing, money.

36.2 Governing law

This agreement is governed by, and must be construed according to, the laws applying in the Northern Territory of Australia.

36.3 Jurisdiction

For the purposes only of proceedings allowed under clause 23.4, the parties irrevocably:

- (a) **(jurisdiction)** submit to the non-exclusive jurisdiction of the courts of the Northern Territory, and the courts competent to determine appeals from those courts, with respect to any proceedings which may be brought at any time relating to this agreement; and
- (b) **(waiver of objection to jurisdiction)** waive any objection they may now or in the future have to the venue of any court proceedings, and any Claim they may now or in the future have that any proceeding has been brought in an inconvenient forum, if that venue falls within clause 36.3(a).

36.4 Entire agreement

To the extent permitted by law, in relation to its subject matter, this agreement:

- (a) **(entire understanding)**: embodies the entire understanding of the parties and constitutes the entire terms agreed by the parties; and
- (b) **(prior agreements)**: supersedes any prior agreement of the parties.

36.5 Further acts and documents

Each party must promptly do all further acts and execute and deliver all further documents (in the form and content reasonably satisfactory to that party) required by law or reasonably requested by the other party to give effect to this agreement.

36.6 Survival of certain provisions

- (a) **(Surviving clauses)**: All provisions of this agreement which, expressly or by implication from their nature, are intended to survive rescission, termination or expiration of this agreement will survive the rescission, termination or expiration of this agreement, including any provision in connection with:
 - (i) each party's rights to set-off and recover money (including any Pipeline Charges);
 - (ii) confidentiality or privacy;
 - (iii) any indemnity given in accordance with this agreement;
 - (iv) any exclusion or limitation on liability; and
 - (v) any entitlement, liability, right or obligation arising prior to or on rescission, termination or expiry of this agreement.
- (b) **(Interpretation)**: No provision of this agreement which is expressed to survive the rescission, termination or expiry of this agreement will prevent any other provision of this agreement, as a matter of interpretation, also surviving the rescission, termination or expiry of this agreement.
- (c) **(Survival of rights and obligations)**: No right or obligation of either party will merge on the completion of any transaction contemplated by this agreement. All rights and obligations under this agreement survive the execution and delivery of any transfer or other document which implements any transaction contemplated by this agreement.

36.7 Waiver

- (a) **(Writing)**: A waiver given by a party under this agreement is only effective and binding on that party if it is given or confirmed in writing by that party.
- (b) **(No waiver)**: A failure to exercise or enforce, a delay in the exercise or enforcement of, or the partial exercise or enforcement of, a right provided by law or under this agreement by a party does not preclude, or operate as a waiver of, the exercise or enforcement, or further exercise or enforcement, of that or any other right provided by law or under this agreement.
- (c) **(No waiver of another breach)**: No waiver of a breach of a term of this agreement operates as a waiver of another breach of that term or of a breach of any other term of this agreement.

- (d) **(Payment not a waiver):** Payment under this agreement will not constitute a waiver of any rights of the Shipper or the Transporter under this agreement in respect of such payment.

36.8 Consents, approvals and directions

- (a) **(Consent):** A consent or approval required under this agreement from a party may not be unreasonably withheld or delayed, unless this agreement expressly provides otherwise.
- (b) **(Nature of approval):** By giving its approval or consent a party does not make or give any warranty or representation as to any circumstance relating to the subject matter of the consent or approval.
- (c) **(Writing):** A consent or approval given by a party under this agreement is only effective if it is given or confirmed in writing by that party.

36.9 Amendments

This agreement may only be varied by an agreement executed by or on behalf of each party.

36.10 Expenses

Except as otherwise expressly provided in this agreement, each party must pay its own costs and expenses in connection with negotiating, preparing, executing and performing this agreement.

36.11 Severance

If, at any time, a provision of this agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, that will not affect or impair the legality, validity or enforceability of:

- (a) any other provision of this agreement; or
- (b) that provision under the law of any other jurisdiction.

36.12 Counterparts

This agreement may be executed in any number of counterparts and by the parties in separate counterparts. Each counterpart constitutes the agreement of each party who has executed and delivered that counterpart. All such counterparts taken together will be deemed to constitute one and the same contract.

36.13 Indemnities

- (a) **(Indemnity continues):** Each indemnity in this agreement is a continuing obligation, separate and independent from the other obligations of the parties, and survives the termination, expiration or completion of this agreement.
- (b) **(Expense not necessary):** It is not necessary for a party to incur expense or to make any payment before enforcing a right of indemnity under this agreement.

36.14 Proportionate liability

The operation of the Proportionate Liability Act (NT) (and to the extent possible in law, any similar legislation of a State or Territory that may be applicable) is excluded in relation to all and any rights, obligations or liabilities of either party under this agreement whether such rights, obligations or liabilities are sought to be enforced in contract, in tort or otherwise.

36.15 Indices no longer available

- (a) If:
- (i) a publication which contains a rate or index used in this agreement ceases to be published for any reason; or
 - (ii) such a rate or index ceases to exist for any reason,

the parties will select a comparable rate or index, with adjustments as necessary or appropriate, to be used in place of such rate or index that maintains the intent and economic effect of the original rate or index. If the parties fail to agree on such a rate or index, the issue must be resolved in accordance with clause 23, and the relevant arbitral tribunal will select the published rate or index, or a combination of rates or indices, with adjustments as necessary or appropriate, that most nearly preserves the original economic balance established by the parties.

- (b) If any rate or index used in this agreement is not published for a particular date, but the publication containing such rate or index continues to be published and the rate or index itself continues to exist, then the parties must use the published rate or index in effect for the date such rate or index was most recently published as the rate or index prior to such date, unless otherwise provided in this agreement.
- (c) If an incorrect value is published for any rate or index used in this agreement and such error is corrected and published within one year of the date of the publication of such incorrect rate or index, then such corrected rate or index will be substituted for the incorrect rate or index and any calculations involving such rate or index will be recalculated. The parties will take any necessary actions based upon these revised calculations, including adjustments of amounts previously invoiced and/or paid.

Schedule 1 - Rolled in tariff / Shipper Expansion Capacity Charge – Calculation Principles

Any capitalised terms used in this Schedule which are not otherwise defined in this Schedule have the meaning given to them in the agreement.

1 Application of this Schedule

If at the request of a person, the Transporter undertakes an expansion or extension of the Pipeline which results in:

- (1) the capacity of the Pipeline to exceed 300 TJ/Day; or
- (2) an extension of the Pipeline beyond KP0 or KP622; or
- (3) the construction of a lateral pipeline which ties into the Pipeline,

(a **Large Expansion**) then the Transporter and that person may agree the tariff and any charge applicable to that person for the period following that Large Expansion without reference to the calculation principles set out in sections 2 and 3 of this Schedule.

2 General Principles

- (a) Subject to section 1 of this Schedule 1, the Firm Tariff applicable under all GTAs will be a rolled in tariff. The Firm Tariff will never increase, but may decrease.
- (b) Each Shipper which requests a RiT Expansion of the Pipeline will also pay any applicable Shipper Expansion Capacity Charge (per GJ of Contractual MDQ) (**SECC**) for that RiT Expansion.
- (c) The Firm Tariff and each Shipper's SECC may be reduced, but never increased, by the economics of any subsequent RiT Expansions. The general principles applying to the recalculation of the Firm Tariff and the calculation and recalculation of any SECC is that each RiT Expansion's Incremental Cost will be borne by the Shipper requesting that RiT Expansion by that Shipper paying the Firm Tariff and, if applicable, a Shipper's SECC for that RiT Expansion.
- (d) The specific methodology for the recalculation of the Firm Tariff and the calculation and recalculation of any SECC is set out in section 3 of this Schedule.
- (e) A RiT Expansion's **Incremental Cost** is the amount per GJ per Day which the Transporter will need to receive during the service term of the Shipper proposing the RiT Expansion in order to recover the cost of that RiT Expansion (taking into account, without limitation, the Transporter's required rate of return and time value of money). The Incremental Cost will be calculated including by reference to:
 - (1) the total cost of the RiT Expansion;
 - (2) the term over which the Shipper proposing the RiT Expansion is committed to pay additional RiT Expansion charges to enable the Transporter to recover that RiT Expansion's costs;
 - (3) the additional capacity created by the RiT Expansion and to be borne by the Shipper proposing the RiT Expansion;
 - (4) the Transporter's required rate of return; and
 - (5) the incremental operational costs associated with the RiT Expansion.

3 Rolled in tariff / SECC calculation methodology

3.1 Specific methodology

Note: A reference to an 'expansion; under this section means a 'RiT Expansion' as defined in clause 1 of this agreement.

Methodology	Reference to Working example in section 3.2 below
<p>1 For an initial expansion, if the Incremental Cost of the expansion is less than the Firm Tariff, then the Firm Tariff will be recalculated as follows:</p> $\frac{(\text{Current Firm Tariff} \times \text{Existing Capacity} + \text{Incremental Cost} \times \text{New Capacity})}{(\text{Existing Capacity} + \text{New Capacity})}$ <ul style="list-style-type: none"> The new Firm Tariff should be a lower number. The expansion would have a SECC of \$0. 	<p>Refer to expansions a and b of the working example below.</p>
<p>2 For an initial expansion, if the Incremental Cost of the expansion is more than the Firm Tariff, then</p> <ul style="list-style-type: none"> the Firm Tariff will not change; and the expansion's SECC will equal Incremental Cost less Firm Tariff. 	
<p>3 For a subsequent expansion, if the expansion's Notional SECC (being <i>Incremental Cost less Firm Tariff</i>) is greater than the previous expansion's SECC, then:</p> <ul style="list-style-type: none"> the Firm Tariff will not change; the previous expansion's SECC will not change; and the expansion's SECC will equal its Notional SECC. 	<p>Refer to expansion c of the working example below.</p>
<p>4 For a subsequent expansion, if the expansion's Notional SECC (being <i>Incremental Cost less Firm Tariff</i>) is less than the immediately previous expansion's SECC, then the Transporter will apply the following allocation methodology to determine that expansion's SECC and any change to previous expansions' SECCs.</p> <p>Assume:</p> <ul style="list-style-type: none"> a series of expansions occurred in the order of: expansions a, b, c, d; each expansion's SECC are described as SECC(a), SECC(b), SECC(c) and SECC(d); each expansion's additional capacity are described as Cap(a), Cap(b), Cap(c) and Cap(d); and each expansion's Incremental Cost are described as IC(a), IC(b), IC(c) and IC(d). <p>Step 1: Determine the Excess Contribution (EC) of expansion d</p> $EC(d) = [(Firm\ Tariff + SECC(c)) - IC(d)] \times Cap(d)$ <p>The Excess Contribution of expansion d (EC(d)) represents the contribution which expansion D could be applied towards previous expansions' Incremental Costs assuming:</p> <ul style="list-style-type: none"> expansion d has an SECC equal to SECC(c); and expansion d's contribution is first applied towards its own Incremental Cost (i.e. IC(d)). 	<p>Refer to expansion d of the working example below.</p> <p>For expansion d, EC(d) = [(1.06+0.21)-0.93]x73 = 24.82</p>

Step 2: Is the Excess Contribution of expansion d (EC(d)) sufficient to reduce SECC(c) and SECC(d) to the same level as SECC(b)?

If $\frac{EC(d)}{(Cap(c) + Cap(d))} > (SECC(c) - SECC(b))$, then go to Step 3

OR

If $\frac{EC(d)}{(Cap(c) + Cap(d))} \leq (SECC(c) - SECC(b))$

then the new SECC(c) and SECC(d) will each equal to:

$$NewSECC(c) / SECC(d) = OldSECC(c) - \frac{EC(d)}{(Cap(c) + Cap(d))}$$

For expansion d

$$24.82 / (73 + 67) < (0.21 - 0)$$

which means:

Step 3: Is the Excess Contribution of expansion d (EC(d)) sufficient to reduce SECC(b), SECC(c) and SECC(d) to the same level as SECC(a)?

If $\frac{EC(d)}{(Cap(b) + Cap(c) + Cap(d))} > (SECC(a) - SECC(c))$, then go to Step 4

OR

If $\frac{EC(d)}{(Cap(b) + Cap(c) + Cap(d))} \leq (SECC(a) - SECC(c))$

then the new SECC(b), SECC(c) and SECC(d) will equal:

$$NewSECC(b) / SECC(c) / SECC(d) = OldSECC(b) - \frac{EC(d)}{(Cap(b) + Cap(c) + Cap(d))}$$

New SECC for
expansions c and d

$$\begin{aligned} &= 0.21 - \\ &24.82 / (73 + 67) \\ &= 0.21 - 0.18 \\ &= 0.03 \end{aligned}$$

expansion d would
not have any impact
on SECC of
expansions a and b
or the Firm Tariff.

Step 4: Further rolling calculations

If $\frac{EC(d)}{(Cap(b) + Cap(c) + Cap(d))} > (SECC(a) - SECC(c))$

then SECC(a), SECC(b), SECC(c) and SECC(d) will be reduced to an amount below the old SECC(a), towards zero. The calculation methodology for this reduction will be an extrapolation of that applied in Steps 2 and 3 above.

If the EC(d) is greater than the quantity required to reduce SECC(a), SECC(b), SECC(c) and SECC(d) to zero, then the calculation methodology will be further extrapolated to reduce the Firm Tariff.

Firm Tariff will not be affected by this process unless the Excess Contribution of the Last Expansion is greater than the amount required to reduce all previous expansions' SECCs to zero.

3.2 Working example of ‘Rolled in tariff’ / SECC calculation

The below table sets out an example of how Jemena’s rolled in tariff is intended to operate.

Tariffs after:												
Name	Capacity	Incremental Cost	RiT	SECC	Expansion a		Expansion b		Expansion c		Expansion d	
	(TJ/ Day)	(GJ/Day)	(GJ/ Day)	(GJ/ Day)	Tariff (GJ/Day)	SECC (GJ/Day)						
Foundation	90	\$1.00	\$1.00	-	\$0.86	-	\$0.83	-	\$0.83	-	\$0.83	-
Expansion a	34	\$0.50	\$0.86	-	\$0.86	-	\$0.83	-	\$0.83	-	\$0.83	-
Expansion b	42	\$0.75	\$0.83	-			\$0.83	-	\$0.83		\$0.83	
Expansion c	67	\$1.05	\$0.83	\$0.22					\$0.83	\$0.22	\$0.83	\$0.12
Expansion d	73	\$0.87	\$0.83	\$0.12							\$0.83	\$0.12

Schedule 2 - Services

1. Firm Transportation Service

1.1 Firm Forward Haul Transportation Service

The Firm Forward Haul Transportation Service means a gas transportation Service in the Pipeline that is generally in a direction of ascending KP, and that gives the highest level assurance that the Shipper will be able to transport Gas, subject to Curtailment.

1.2 Firm Back Haul Transportation Service

The Firm Back Haul Transportation Service means a gas transportation Service in the Pipeline that is generally in a direction of descending KP, and that gives the highest level assurance that the Shipper will be able to transport Gas, subject to Curtailment, subject to Curtailment and clause 32.6.

2. As-Available Transportation Service

2.1 As-Available Forward Haul Transportation Service

As-Available Forward Haul Transportation Service means a gas transportation service in the Pipeline subject to:

- (a) the availability of sufficient flow at the direction of the ascending KP in the relevant section of the Pipeline;
- (b) Capacity being available on the day that the Transporter has to meet its haulage obligations under Gas Transportation Agreements for Services with a higher priority number;
- (c) Capacity being available at the Receipt Point and Delivery Point facilities on the day the Transporter has to meet its haulage obligations under Gas Transportation Agreements for Services with a higher priority number; and
- (d) Curtailment.

2.2 As-Available Back Haul Transportation Service

As-Available Back Haul Transportation Service means a gas transportation service in the Pipeline that is offered as a displacement service, subject to:

- (a) the availability of sufficient flow at the Delivery Point in the relevant section of the Pipeline;
- (b) Capacity being available on the day that the Transporter has to meet its haulage obligations under Gas Transportation Agreements for Services with a higher priority number;
- (c) Capacity being available at the Receipt Point and Delivery Point facilities on the day the Transporter has to meet its haulage obligations under Gas Transportation Agreements for Services with a higher priority number; and
- (d) Curtailment.

3. As-Available Park and Lend Service

As-Available Park and Lend Service means the temporary storage of quantities of Gas in the Pipeline or temporary lending of quantities of Gas received or delivered on the Shipper's account, subject to:

- (a) there being sufficient available Base Linepack (as determined by the Transporter acting reasonably and in good faith) after the technical considerations of all Gas Transportation Agreements for Services with a higher priority have been satisfied; and
- (b) Curtailment.

4. Priority of Service

- (a) **Priority of Service** means the order that the supply of Gas will be ceased or reduced in accordance with any Curtailment or during a Force Majeure Event as set out below. Subject to paragraph (c) below, the Service with priority number 1 will be Curtailed last. For the purposes of this definition, "Operational MDQ" in the case of an Other Shipper, means "Operational MDQ" as defined in that Other Shipper's Gas Transportation Agreement (or, if "Operational MDQ" is not defined, such other equivalent definition).
 - (i) **Firm Forward Haul Transportation Services – priority number 1:** In the event of insufficient Capacity at a Delivery Point or a Receipt Point or on a Path to meet all Firm Forward Haul Transportation Services contracted by the Transporter, the Transporter will Curtail the quantities of Gas to be transported at that Delivery Point or Receipt Point or on that Path on account of the Shipper and all other Pipeline Shippers for all Firm Forward Haul Transportation Services under all Gas Transportation Agreements, such Curtailment to be made on a proportionate basis according to the proportion that the Shipper's Operational MDQ is as a percentage of the total Operational MDQs for all Firm Forward Haul Transportation Services under all Gas Transportation Agreements, as applicable. For the purposes of this clause, 'Firm Forward Haul Transportation Services' includes Firm Forward Haul Transportation Services acquired by a Secondary Shipper through an Exchange Trade or Bilateral Trade;
 - (ii) **Firm Back Haul Transportation Service – priority number 2:** In the event of insufficient Capacity at a Delivery Point or a Receipt Point or on a Path to meet all Firm Back Haul Transportation Services contracted by the Transporter under all Gas Transportation Agreements, the Transporter will Curtail the quantities of Gas to be transported at that Delivery Point or Receipt Point or on that Path on account of the Shipper and all other Pipeline Shippers for all Firm Back Haul Transportation Services under all Gas Transportation Agreements, such Curtailment to be made on a proportionate basis according to the proportion that the Shipper's Operational MDQ is as a percentage of the total Operational MDQs for all Firm Back Haul Transportation Services under all Gas Transportation Agreements at the relevant Receipt Point and/or Delivery Point, as applicable;
 - (iii) **As-Available Forward Haul Transportation Service – priority number 10:** In the event of insufficient Capacity at a Delivery Point or a Receipt Point or on a Path to meet all As-Available Forward Haul Transportation Services contracted by the Transporter, the Transporter will Curtail provision of the As-Available Forward Haul Transportation Service at that Delivery Point or Receipt Point or on that Path to the

Shipper and all other Pipeline Shippers based on the Service Start Date of that As-Available Forward Haul Transportation Service, with the last signed Gas Transportation Agreement for an As-Available Forward Haul Transportation Service being Curtailed first;

- (iv) **As-Available Back Haul Transportation Service – priority number 15:** In the event of insufficient Capacity at a Delivery Point or Receipt Point or on a Path to meet all As-Available Back Haul Transportation Services contracted by the Transporter, the Transporter will Curtail provision of the As-Available Back Haul Transportation Service at that Delivery Point or Receipt Point or on that Path to the Shipper and all other Pipeline Shippers based on the Service Start Date of that As-Available Back Haul Transportation Service, with the last signed Gas Transportation Agreement for an As-Available Back Haul Transportation Service being Curtailed first; and
 - (v) **As-Available Park and Lend Service – priority number 20:** In the event of insufficient Capacity at a Delivery Point or Receipt Point or on a Path to meet all As-Available Park and Lend Services contracted by the Transporter, the Transporter will Curtail the provision of the As-Available Park and Lend Service at that Delivery Point or Receipt Point or on that Path to the Shipper and all other Pipeline Shippers based on the Service Start Date of the As-Available Park and Lend Service, with the last signed Gas Transportation Agreement for an As-Available Park and Lend Service being Curtailed first.
- (b) The Priority of Service may, as determined by the Transporter from time to time, include Other Services with priority numbers not specified above.
- (c) Where the available Capacity at a Receipt Point or Delivery Point is insufficient to meet all the nominations or renominations of the Shipper and all Other Shippers on a Day, then in scheduling and curtailing for that Day, the Transporter will give priority to available Capacity as follows:
- (i) first, to nominations and renominations for the use of Firm Forward Haul Transportation Service provided using Primary Transportation Capacity under a Primary Facility Agreement with transportation capacity reserved at that Receipt Point or Delivery Point;
 - (ii) second, to nominations and renominations for the use of the Receipt Point or Delivery Point for any other Firm Forward Haul Transportation Service (excluding services referred to in paragraph (i)); and
 - (iii) third, to the remaining Capacity (after the allocations referred to above have been made) in accordance with the priority principles in paragraph (a) above.

Schedule 3 - Increase in Contractual MDQ

1. Increase in Contractual MDQ

1.1 Request for Contractual MDQ increase

- (a) The Shipper may notify the Transporter that the Shipper proposes to request an increase to the Contractual MDQ for a Path.
- (b) Within 30 days of the Shipper giving notice under section 1.1(a), the Transporter and the Shipper must meet to discuss the proposed request for an increase to the Contractual MDQ, including:
 - (i) the increase in Contractual MDQ that the Shipper requires;
 - (ii) any capital works required, including the likely cost, scope and timeframe of such works (to the extent such information is available to the parties);
 - (iii) any feasibility study required, including its likely cost and scope; and
 - (iv) any other matter which the parties consider to be relevant to the proposed request for an increase to the Contractual MDQ.

1.2 Proposal by Transporter

- (a) As soon as reasonably practicable following the meeting described in section 1.1(b) but subject to section 1.2(c), the Transporter must notify the Shipper whether the Transporter considers that there is available Capacity to provide the increase in Contractual MDQ that the Shipper requests (**MDQ Increase Proposal**).
- (b) If the Transporter considers that there is available Capacity, the MDQ Increase Proposal will also include the Transporter's estimated cost (if any) of providing the increase to the Contractual MDQ.
- (c) Notwithstanding anything in this agreement, the Transporter will not be required to provide the MDQ Increase Proposal, unless prior to the Transporter commencing work required to increase the Capacity the Transporter and the Shipper agree:
 - (i) the required level of accuracy (expressed as a plus or minus percentage) of the adjustment to the Tariff for such increase to the MDQ Increase Proposal (**Accuracy Level**);
 - (ii) the cost of undertaking any engineering assessments and other work based on the Accuracy Level (**Proposal Costs**); and
 - (iii) the time by which the Transporter must provide the Contractual MDQ Increase Proposal, which shall be not more than three months from the date upon which the Transporter and the Shipper agree upon the matters set out in sections 1.2(c)(i) and (ii) if the Accuracy Level is not more accurate than +/- 50%.
- (d) The Shipper may accept a MDQ Increase Proposal by notifying the Transporter in writing within one month of receipt of the MDQ Increase Proposal.
- (e) If the Shipper accepts a MDQ Increase Proposal in accordance with section 1.2(d):
 - (i) the Transporter will undertake any necessary works to provide the increase to the Contractual MDQ in accordance with the MDQ Increase Proposal at the Shipper's cost; and

- (ii) the parties must execute an amendment to any relevant Annexure provided that:
 - A. the existing terms and conditions of the relevant Annexures will apply in respect of any such increase to the Contractual MDQ except that the Pipeline Charges in respect of the increase in Contractual MDQ will be as specified in the MDQ Increase Proposal; and
 - B. any new Capacity created as a result of works undertaken pursuant to a MDQ Increase Proposal must be contracted by the Shipper under the relevant Service for a period of not less than 5 years from the completion of the works and the Capacity becoming available, unless otherwise agreed.
- (f) If the Shipper does not accept a MDQ Increase Proposal in accordance with section 1.2(d), the Shipper must pay the Transporter its reasonable, documented costs of preparing such MDQ Increase Proposal.

Schedule 4 - Expert Determination Agreement

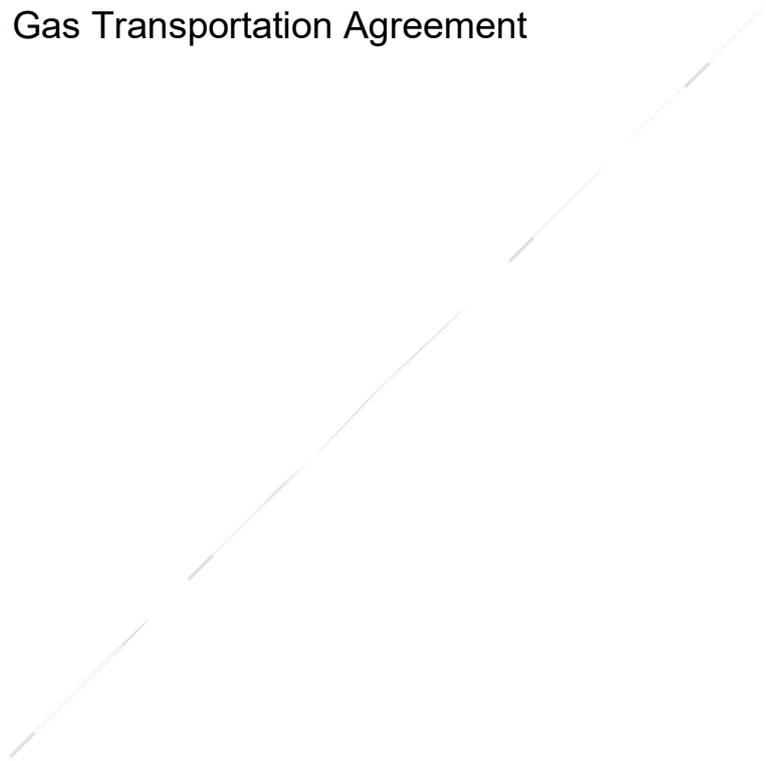
Expert Determination Agreement

Northern Gas Pipeline Gas Transportation Agreement

[]
[#insert party name]

[]
[#insert party name]

[]
Expert



Expert Determination Agreement made on

Parties [insert party name and address] (insert party name)

[insert party name and address] (insert party name)

[insert name and address of Expert agreed between the parties or appointed pursuant to clause [25.2] (Selection of expert) of the GTA] (**Expert**)

Recitals

- A. The background to the Services is set out in the GTA.
- B. On [insert], [the Parties agreed / (insert party name) chose] that the matter described in [insert] be determined by an Expert appointed under clause [25.2] (Selection of expert) of the GTA.
- C. In accordance with clause [25.2] of the GTA, the Expert has been appointed to determine the Matter in accordance with the process set out in this Agreement and the GTA.

Operative provisions

1. Definitions

1.1 GTA definitions

Unless otherwise expressly defined, expression used in this Agreement have the meanings given to them in the GTA.

1.2 Definitions

Agreement means this expert determination agreement and includes all schedules, exhibits, attachments and annexures to it.

Code of Conduct means the code of conduct set out in section 2 of Schedule 2 to this Agreement. **Matter** means a dispute under, arising out of, or in connection with the GTA and referred to expert determination under clause [insert relevant clause reference] of the GTA.

GTA means the document entitled "Northern Gas Pipeline Gas Transportation Agreement" between the Shipper and the Transporter dated [insert date].

Party means [insert party names].

Rules means the "Rules for Expert Determination Process" set out in Schedule 2 to this Agreement.

Schedule of Fees and Disbursements is contained in Schedule 3 to this Agreement.

1.3 Interpretation

In this Agreement:

- (a) (**headings**): headings (including any heading at the beginning of any subclause) are for convenience only and do not affect interpretation;

and unless the context otherwise requires:

- (b) **(count and gender)**: a word importing the singular includes the plural and vice versa, and a word indicating a gender includes every other genders;
- (c) **(agreement and schedule references)**: a reference to:
- (i) a party, clause, Schedule, Exhibit, or Annexure is a reference to a party, clause, Schedule, Exhibit or Annexure of or to this Agreement; and
 - (ii) a section is a reference to a section of a Schedule to this Agreement;
- (d) **(agreement as amended)**: a reference to this Agreement or to any other deed, agreement or instrument includes a reference to this Agreement or such other deed, agreement or instrument as amended, novated, supplemented, varied or replaced from time to time;
- (e) **(party)**: a reference to a party includes that party's legal representatives, trustees, executors, administrators, successors and permitted substitutes and assigns, including any persons taking part by way of novation;
- (f) **(person)**: a reference to a person includes an individual, the estate of an individual, a corporation, an authority, an association or a joint venture (whether incorporated or unincorporated), a partnership and a trust;
- (g) **(legislation)**: a reference to legislation includes its delegated legislation and a reference to such legislation or delegated legislation or a provision of either includes consolidations, amendments, re-enactments and replacements;
- (h) **(definitions)**: if a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (i) **("includes")**: "includes" will be read as if followed by the phrase "(without limitation)";
- (j) **("or")**: the meaning of "or" will be that of the inclusive, being one, some or all of a number of possibilities;
- (k) **(information)**: a reference to information includes information, representations, statements, data, samples, calculations, assumptions, deductions, determinations, drawings, design specifications, models, plans and other documents in all forms including the electronic form in which it was generated;
- (l) **("\$")**: a reference to "\$", AUD or dollar is to Australian currency;
- (m) **(time)**: a reference to time is a reference to time in Northern Territory, Australia;
- (n) **(rights)**: a reference to a right includes any benefit, remedy, function, discretion, authority or power;
- (o) **(obligations and liabilities)**: a reference to an obligation or a liability assumed by, or a right conferred on, two or more persons binds or benefits them jointly and severally;
- (p) **("may")**: unless the Shipper is expressly required to act reasonably in exercising a power, right or remedy, the term "may", when used in the context of a power, right or remedy exercisable by the Shipper, means that the Shipper can exercise that power, right or remedy in its absolute and unfettered discretion and the Shipper has no obligation to do so;
- (q) **(construction)**: where there is a reference to an Authority, institute or association or other body referred to in this Agreement which:

- (i) is reconstituted, renamed or replaced or if its powers or functions are transferred to, or assumed by, another entity, this Agreement is deemed to refer to that other entity; or
- (ii) ceases to exist, this Agreement is deemed to refer to that new entity which serves substantially the same purpose or object as the former entity;
- (r) **(remedy)**: the use of the word “remedy” or any form of it in this Agreement means that the event to be remedied must be cured or its effects overcome; and
- (s) **(no bias against draftsman)**: each provision will be interpreted without disadvantage to the party who (or whose representative) drafted or proffered that provision.

2. Appointment of Expert

- (a) **(Parties to appoint Expert)**: The Parties appoint the Expert to determine the Matter in the manner and within the times set out in this Agreement and the Expert accepts the appointment on the basis set out in this Agreement.
- (b) **(Agreement of Conditions)**: The Parties agree that:
 - (i) the Expert will act as an expert and not as an arbitrator;
 - (ii) neither the determination of the Matter, nor the process required by this Agreement is an arbitration and any conference conducted during the determination is not a hearing conducted under any legislation or rules relating to any form of arbitration;
 - (iii) the rules of evidence do not apply to the determination; and
 - (iv) the Expert must conduct the determination of the Matter in accordance with the Rules including the Code of Conduct.
- (c) **(Independence and bias)**: If, at any time during the determination, the Expert becomes aware of circumstances that might reasonably be considered to adversely affect the Expert's capacity to act independently or impartially, the Expert must inform the Parties immediately and, unless the Parties agree otherwise, terminate this Agreement.

3. Confidentiality

- (a) Subject to clause 3(b), all proceedings and submissions relating to the determination (including the fact that any step in the determination is occurring), and all documents prepared for the purposes of the determination (including the Expert's determination), must be kept confidential.
- (b) No such proceedings, submissions or documents, nor any other information relating to or arising out of the determination, may be divulged to any person except:
 - (i) with the prior written consent of both Parties;
 - (ii) as may be required by Law;
 - (iii) for the purpose of subsequent arbitration; or
 - (iv) to the extent necessary to enforce the Expert's determination.

4. Costs and fees

- (a) **(Parties joint and severally liable):** As between the Parties and the Expert, the Parties are jointly and severally liable for the payment of the Expert's fees and disbursements, calculated in accordance with the Schedule of Fees and Disbursements.
- (b) **(Calculation of costs and fees):** The Parties agree, subject to the terms of the GTA, as between themselves that:
 - (i) they will each pay one half of the Expert's fees and disbursements, calculated in accordance with the Schedule of Fees and Disbursements; and
 - (ii) they will each bear their own costs of and incidental to the preparation of this Agreement and their participation in any determination.

5. Exclusion of liability and indemnity

Except in the case of fraud, the Expert will not be liable to either Party for any act or omission by the Expert in the performance or purported performance of this Agreement. The Parties jointly and severally indemnify the Expert against all Claims or Liability in connection with any act or omission by the Expert (except fraud) in the performance or purported performance by the Expert of the terms of this Agreement.

6. Co-operation of the Parties

Each Party agrees to take part in the determination in good faith and to comply with the reasonable requests and directions of the Expert in relation to the conduct of the determination.

7. Governing Law and jurisdiction

- (a) **(Governing Law):** This Agreement is governed by, and must be construed according to, the laws applying in the Northern Territory, Australia.
- (b) **(Jurisdiction):** Each party irrevocably submits to the non-exclusive jurisdiction of the courts of the Northern Territory, and the courts competent to determine appeals from those aforementioned courts, with respect to any proceedings which may be brought in connection with this Agreement.

Schedule 1 - The Matter

[Description of matter to be inserted.]



Schedule 2 - Rules for Expert Determination Process

1. Commencement

The expert determination process begins when the Expert accepts an appointment to determine the Matter in accordance with these Rules including the Code of Conduct.

2. Code of Conduct

- (a) The function of the Expert is to make a determination of the Matter in accordance with the GTA and this Agreement, including these Rules and the Code of Conduct.
 - (b) The Expert must receive the written submissions and responses of the Parties in accordance with the procedures specified in these Rules and may require further information or documentation from the Parties which is reasonably necessary to determine the Matter.
 - (c) The Expert must decide whether a conference is necessary to receive further information. The Expert must inform the Parties of the subject matter of any conference and may hear representations only on those matters during any such conference.
 - (d) The Expert must disclose to both Parties all information and documents received.
 - (e) If a Party fails to make a written submission, the Expert may continue with the process.
 - (f) Subject to section 4 of these Rules in relation to conferences, meetings and discussions with the Expert must only take place in the presence of both Parties.
-

3. Written Submissions

- (a) Within 5 Business Days after the date this expert determination process begins, the Party who gave notice under clause [29.1] (Expert determination) of the GTA (**Party A**) must give the other Party and the Expert a written statement of the Matter referred for Expert determination, any agreed statement of facts and a written submission on the Matter in support of Party A's contentions.
 - (b) Within 5 Business Days after the statement in section 3(a) is served, the other Party must give Party A and the Expert a written response to Party A's submissions.
 - (c) If the Expert considers it appropriate, Party A may reply in writing to the other Party's response in section 3(b) within the time allowed by the Expert.
 - (d) If the Expert decides further information or documentation is required for the determination of the Matter, the Expert may direct one or more Parties to provide such further submissions, information or documents as the Expert may require.
-

4. Conference

- (a) The Expert may, if he or she thinks appropriate, call a conference of the Parties. Unless the Parties agree otherwise, the conference will be held in Darwin, Australia.
- (b) At least 5 Business Days before the conference, the Expert must inform the Parties of the date, venue and agenda for the conference.
- (c) The Parties must appear at the conference and may make submissions on the subject matter of the conference. If a Party fails to appear at a conference of which

that Party had been notified under section 4(b), the Expert and the other Party may nevertheless proceed with the conference and the absence of that Party will not terminate or discontinue the expert determination process.

- (d) The Parties:
 - (i) may be accompanied at a conference by legal or other advisers; and
 - (ii) subject to the terms of this Agreement and the GTA, will be bound by any procedural directions given by the Expert in relation to the expert determination process.
- (e) The conference must be held in private.
- (f) If required by any Party, transcripts of the conference proceedings must be taken and made available to the Expert and the Parties.

5. General

- (a) In making a determination or calling or holding a conference, the Expert must proceed in accordance with the GTA, this Agreement and these Rules.
- (b) Subject to section 4(c), meetings and discussions with the Expert must only take place in the presence of both Parties.
- (c) Without limiting section 2(c) of this Agreement, the Expert must:
 - (i) inform the Parties of:
 - A. any relationship or interest with the Parties or their respective Associates;
 - B. any interest the Expert has in the matters in dispute; and
 - C. any circumstance which might reasonably be considered to adversely affect the Expert's capacity to act independently or impartially,immediately upon becoming aware of any such circumstance; and
 - (ii) upon making any disclosure under this section 5(c), unless and until the Parties agree otherwise, terminate the proceedings.

6. The Determination

- (a) As soon as possible after receipt of the submissions or after any conference and, in any event not later than 30 days after the Expert's acceptance of appointment, the Expert must:
 - (i) determine the Matter between the Parties; and
 - (ii) notify the Parties of that determination.
- (b) The determination of the Expert must:
 - (i) be in writing stating the Expert's determination and giving reasons;
 - (ii) be made on the basis of the submissions (if any) of the Parties, the conference (if any) and the Expert's own expertise; and

- (iii) meet the requirements of the GTA.
- (c) To the extent permitted by Law, the Expert's determination will be final and binding on the Parties unless a notice of dissatisfaction is given in accordance with clause [25.4(a)] of the GTA.

7. Costs

Security for costs of the Expert must be deposited by both Parties at the commencement of the Expert determination process in accordance with any direction of the Expert.

8. Modification

These Rules may be modified only by agreement of the Parties and, if the Expert has been appointed, the Expert.

9. Proportionate Liability

Notwithstanding anything else, to the extent permissible by Law, the Expert will have no power to apply or to have regard to the provisions of any proportional liability legislation which might, in the absence of this provision, have applied to any dispute referred to Expert determination

Schedule 3 - Schedule of Fees and Disbursements

[Note: Expert's fees and disbursements to be inserted.]



Signed as an agreement.

[Note: Execution Blocks to be inserted.]



Schedule 5 - Gas Specification

The **Gas Specification** is:

- (a) the specifications for “fuel gas” imposed under the *Petroleum and Gas (Production and Safety) Act 2004* (Qld) which adopts the specification set out in Australian Standard “AS 4564 – specification for general purpose natural gas” (2011) (as set out below); and
- (b) any additional parameters lawfully required by the APA Group for receipt of gas at the connection between the Pipeline and the Carpentaria Gas Pipeline.

SPECIFICATION LIMITS

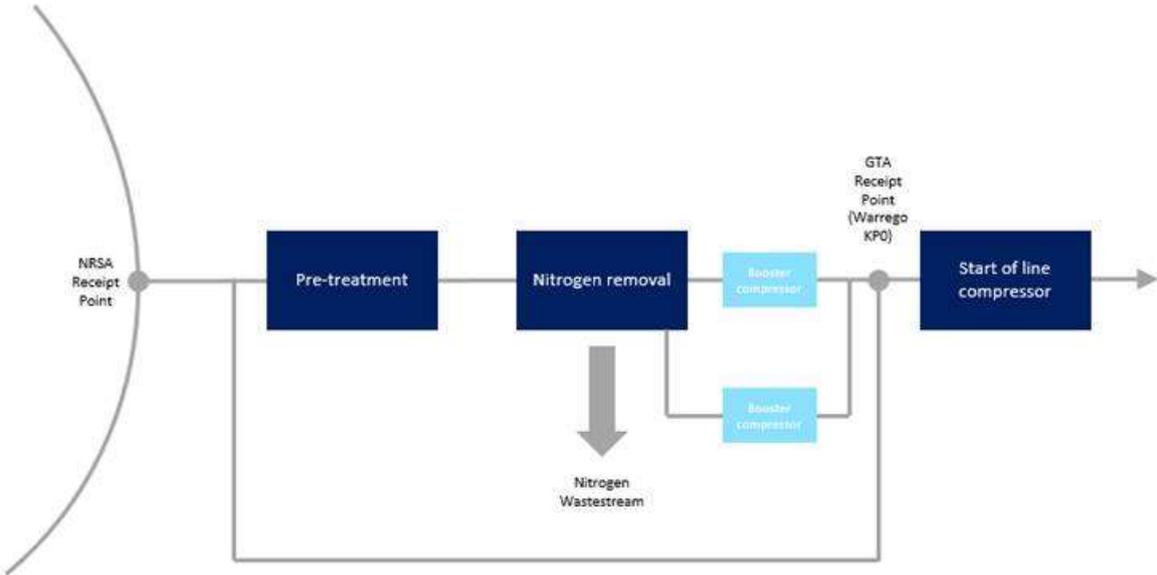
Characteristics and components	Limit	
	Wobbe Index	Minimum
	Maximum	52.0 MJ/m ³
Gross heating value	Maximum	42.3 MJ/m ³
Oxygen	Maximum	0.2 mol%
Hydrogen sulphide	Maximum	5.7 mg/m ³
Total sulphur	Maximum	50 mg/m ³
Water content	Maximum	Dewpoint 0°C at the highest MAOP in the relevant transmission system (in any case, no more than 112.0 mg/m ³)
Hydrocarbon dewpoint	Maximum	2.0°C at 3500 kPa gauge
Total inert gases	Maximum	7.0 mol%
Oil	Maximum	20 mL/TJ

CONTAMINANTS

The gas shall not contain-

- (a) materials, dust, and other solid or liquid matter, waxes, gums, gum forming constituents, and unsaturated or aromatic hydrocarbons to an extent which might cause damage to, or interfere with the proper operation of, pipes, meters, regulators, control systems, equipment or appliances or which might cause the gas to be harmful or toxic to persons having contact with it in normal work operations or usage;
- (b) unsaturated or aromatic hydrocarbons to an extent that causes unacceptable sooting; or
- (c) other substances to the extent that they cause damage to, or problems in operation of, pipelines or appliances or that cause the products of combustion to be toxic, or hazardous to health, other than substances that are usually found in natural gas combustion products.

Schedule 6 – Layout Diagram



Annexures

Annexure A – Firm Forward Haul Transportation Service

1. Annexure Execution Date

Date	
-------------	--

2. Annexure Effective Date

Date	Annexure Execution Date
-------------	-------------------------

3. Term of Service

Service Start Date	[Insert date]
Service End Date	[Insert date]

4. Parties

Transporter	Jemena Northern Gas Pipeline Pty Ltd
Shipper	[Insert]

5. Type of Service

Type of Service	Firm Forward Haul Transportation Service
Priority Number	1

6. Paths and Contractual MDQ

Path	Receipt Point*	Delivery Point	Contractual MDQ (GJ/Day)	Service Start Date	Service End Date
Path 1	Warrego (KP 0)	Mt Isa (KP 622)	[Insert]	See item 3	See item 3

* The GTA Receipt Point at Warrego is indicated in the layout diagram in Schedule 6.

If the NRSA is terminated, the Receipt Point at Warrego will be adjusted to the NRSA Receipt Point and the parties will make the necessary amendments to this Annexure.

The Shipper acknowledges that in order to provide the Firm Back Haul Transportation Services, the predominant physical flow of the Pipeline must be from KP 622 to KP 0 and the process set out in clause 32.6 (Firm Back Haul Transportation Service) will apply.

Contract Tolerance	0%
Receipt Point pressure	Minimum: 5000 kPag

	Maximum: 9650 kPag MAOP: 10200 kPag
Receipt Point temperature	Minimum: 0°C Maximum: 60°C Normal: AGP ground temperature, approximately 17 to 37 °C
Delivery Point pressure	Minimum: 6500 kPag Maximum: 14800 kPag Normal: 8000 to 10000 kPag
Delivery Point temperature	Minimum: 2°C Maximum: 50°C Normal: 5 to 50°C

7. Pipeline Charges

Firm Tariff	\$X.XXXX per GJ/Day (\$YYYY)
Shipper Expansion Capacity Charge(SECC)	Nil
Total Firm Tariff	Firm Tariff plus SECC, per GJ
Transportation Charge	Total Firm Tariff x Contractual MDQ
Authorised Overrun Charge	See clause 5.7(a)(i)
Unauthorised Overrun Charge	See clause 5.7(a)(ii) or 5.7(a)(iii)
Imbalance Charge	See clause 9.6(b)
Odourising Charges	Nil
Imbalance Trading Charge	\$X.XXXX per GJ (\$YYYY)
Standardisation Cost Charge	As published on the Website from time to time
Price Indexation	<p>Unless otherwise specified in this Annexure, all Pipeline Charges are quoted in YYYY dollars, excluding GST and will adjusted on each Review Date as follows:</p> $T_r = T_b \times \left[1 + \left(\frac{CPI_r - CPI_b}{CPI_b} \right) \right]$ <p>Where:</p> <p>T_r = relevant Pipeline Charge, under this Annexure, applicable from Review Date</p> <p>T_b = relevant base Pipeline Charge specified under this Annexure</p>

	<p>CPIr = CPI for quarter ended 31 December immediately before relevant Review Date</p> <p>CPIb = CPI published for the quarter ending 31 December YYYY-1.</p> <p>Review Date = Annually, 1 January each year.</p>
--	--

8. Transporter's Bank Account

Nominated Bank Account	<p>Bank: Westpac Banking Corporation</p> <p>Branch: 181 Miller Street, North Sydney</p> <p>Account Name: Jemena Ltd Infrastructure</p> <p>BSB number: 032-099</p> <p>Account number: 375756</p>
-------------------------------	---

9. Other

Intra-Day Nomination	Yes. As per clause 6.5.
Imbalance trading	The Shipper may Nominate to transfer any Cumulative Imbalance under this Service (whether positive or negative) subject to the Shipper finding another Pipeline Shipper who is able to trade its Cumulative Imbalance. The Transporter will confirm the trade as per clauses 7,8 and 9.8. The Shipper must pay the Imbalance Trading Charge for each GJ of Gas traded.

10. Authorised Person and Details for Notices

Transporter	<p>Name: Jemena Northern Gas Pipeline Pty Ltd</p> <p>Physical Address: Level 16, 567 Collins Street, Melbourne, Victoria, 3000</p> <p>Postal Address: Level 16, 567 Collins Street, Melbourne, Victoria, 3000</p> <p>Email: Nerise.Cook@jemena.com.au</p> <p>For the attention of: Nerise Cook</p>
Shipper <i>To be confirmed prior to the Service Start Date</i>	<p>Name:</p> <p>Physical Address:</p> <p>Postal Address:</p> <p>Email:</p> <p>For the attention of:</p>

Annexure B – As-Available Forward Haul Transportation Service

1. Annexure Execution Date

Date	
-------------	--

2. Annexure Effective Date

Date	Annexure Execution Date
-------------	-------------------------

3. Term of Service

Service Start Date	[Insert date]
Service End Date	[Insert date]

4. Parties

Transporter	Jemena Northern Gas Pipeline Pty Ltd
Shipper	[Insert]

5. Type of Service

Type of Service	As-Available Forward Haul Transportation Service
Priority	10

6. Paths and Contractual MDQ

Path*	Receipt Point	Delivery Point	Contractual MDQ (GJ/Day)	Service Start Date	Service End Date
Path 1	Warrego (KP 0)	Mt Isa (KP 622)	[Insert]	See item 3	See item 3

* The GTA Receipt Point at Warrego is indicated in the layout diagram in Schedule 6.

If the NRSA is terminated, the Receipt Point at Warrego will be adjusted to the NRSA Receipt Point and the parties will make the necessary amendments to this Annexure.

Contract Tolerance	0%
Receipt Point pressure	Minimum: 5000 kPag Maximum: 9650 kPag MAOP: 10200 kPag

Receipt Point temperature	Minimum: 0°C Maximum: 60°C Normal: AGP ground temperature, approximately 17 to 37 °C
Delivery Point pressure	Minimum: 6500 kPag Maximum: 14800 kPag Normal: 8000 to 10000 kPag
Delivery Point temperature	Minimum: 2°C Maximum: 50°C Normal: 5 to 50°C

7. Pipeline Charges

Tariff	\$X.XXXX per GJ/Day (\$YYYY)
Transportation Charge	Tariff x Actual Delivered Quantity
Authorised Overrun Charge	See clause 5.7(a)(i)
Unauthorised Overrun Charge	See clause 5.7(a)(ii) or 5.7(a)(iii)
Imbalance Charge	See clause 9.6(c)
Odourising Charges	Nil
Imbalance Trading Charge	\$X.XXXX per GJ (\$YYYY)
Price Indexation	<p>Unless otherwise specified in this Annexure, all Pipeline Charges are quoted in YYYY dollars, excluding GST and will be adjusted on each Review Date as follows:</p> $T_r = T_b \times \left[1 + \left(\frac{CPI_r - CPI_b}{CPI_b} \right) \right]$ <p>Where:</p> <p>T_r = relevant Pipeline Charge, under this Annexure, applicable from Review Date</p> <p>T_b = relevant base Pipeline Charge specified under this Annexure</p> <p>CPI_r = CPI for quarter ended 31 December immediately before relevant Review Date</p> <p>CPI_b = CPI published for the quarter ending 31 December YYYY-1.</p> <p>Review Date = Annually, 1 January each year.</p>
Minimum Service Charge	\$X.XXXX /Month

8. Transporter's Bank Account

Nominated Bank Account	Bank: Westpac Banking Corporation Branch: 181 Miller Street, North Sydney Account Name: Jemena Ltd Infrastructure BSB number: 032-099 Account number: 375756
-------------------------------	---

9. Other

Intra-Day Nomination	Yes. As per clause 6.5.
Imbalance trading	The Shipper may Nominate to transfer any Cumulative Imbalance under this Service (whether positive or negative) subject to the Shipper finding another Pipeline Shipper who is able to trade its Cumulative Imbalance. The Transporter will confirm the trade as per clauses 7,8 and 9.8. The Shipper must pay the Imbalance Trading Charge for each GJ of Gas traded.

10. Authorised Person and Details for Notices

Transporter	Name: Jemena Northern Gas Pipeline Pty Ltd Physical Address: Level 16, 567 Collins Street, Melbourne, Victoria, 3000 Postal Address: Level 16, 567 Collins Street, Melbourne, Victoria, 3000 Email: Nerise.Cook@jemena.com.au Copy to pipelines.commercial@jemena.com.au For the attention of: Nerise Cook;
Shipper <i>To be confirmed prior to the Service Start Date</i>	Name: Physical Address: Postal Address: Email: For the attention of:

EXECUTED as an agreement as of the day and year first above written.

SIGNED for and on behalf of
[Insert details] (Entity Name) (ABN xx xxx xxx xxx)
by affixing the electronic signature of
a duly authorised representative

Signature of authorised representative

Full name of authorised representative

Title of authorised representative

SIGNED for and on behalf of
JEMENA NORTHERN GAS PIPELINE PTY LTD (ABN 12 607 928 790)
by affixing the electronic signature of
a duly authorised representative

Signature of authorised representative

Full name of authorised representative

Title of authorised representative