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Department of
Energy and Economic Diversification

WA National Gas Law – Adoption of the Gas Pipelines Package

Information and consultation paper

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Abbreviations

Term	Definition
ACCC	Australian Competition and Consumer Commission
AEMC	Australian Energy Market Commission
AEMO	Australian Energy Market Operator
AER	Australian Energy Regulator
COAG	Council of Australian Governments
C-RIS	Consultation Regulation Impact Statement
DEED	Department of Energy and Economic Diversification
ERA	Economic Regulation Authority
Gas Pipelines Act	*Statutes Amendment (National Energy Laws) (Gas Pipelines) Act 2022* (SA)
Gas Pipelines Package	Collective term of amendments to the NGL framework made by the Gas Pipelines Act, Gas Pipelines Rule and Gas Pipelines Regulations
Gas Pipelines Regulations	National Gas (South Australia) (Gas Pipelines) Amendment Regulations 2023 (SA)
Gas Pipelines Rule	National Gas Amendment (Gas Pipelines) Rule 2023
GGP	Goldfields Gas Pipeline
GSOO	Gas Statement of Opportunities
NCC	National Competition Council
NEL	National Electricity Law
NERL	National Energy Retail Law
NGI	Northern Goldfields Interconnect
NGL	National Gas Law
NGL(WA)	National Gas Access (Western Australia) Law as applied by the WA Act. Commonly referred to as Western Australia's National Gas Law
NGO	National Gas Objective
NGR	National Gas Rules
NGR(WA)	Western Australia's National Gas Rules
Part 3 Regulations	National Gas Access (WA) (Part 3) Regulations 2009 (WA)
SA	South Australia
SA Regulations	National Gas (South Australia) Regulations (SA)
WA	Western Australia
WA Act	*National Gas Access (WA) Act 2009* (WA)
WA Arbitrator	Western Australian Energy Disputes Arbitrator

Executive Summary

The National Gas Law (NGL) establishes the overarching framework for the economic regulation of gas pipelines and markets across Australia. It is complemented by the National Gas Rules, which detail the procedures, responsibilities, and obligations of market participants, regulators, and dispute resolution bodies.

In March 2022, Energy Ministers across Australia agreed to a comprehensive set of reforms to strengthen the regulation of gas pipelines. These reforms, known as the Gas Pipelines Package, aim to simplify the regulatory framework while continuing to support safe, efficient, and reliable pipeline investment and operation.[1] Key objectives of the reforms include:

- posing a more effective constraint on the exercise of market power by pipeline service providers;
- facilitating better access to pipelines that would not otherwise provide such access, while also minimising the cost and risks associated with regulation where there are no third-party users;
- supporting commercial negotiations between shippers and pipeline service providers through increased transparency, including greater price information, and improvements to the negotiation and dispute resolution frameworks;
- introducing reporting requirements for stand-alone compression service facilities and storage facilities to align with those that apply to gas pipelines; and
- streamlining governance arrangements to improve regulatory efficiency and clarity.

Extensive national consultation was undertaken through the Energy and Climate Change Ministerial framework.[2] The final Gas Pipelines Package reflects the feedback received during that process.

Western Australia's adoption of reforms

The purpose of this consultation paper is to advise stakeholders of Western Australia's intention to adopt the national reforms so they can consider any practical issues arising from the mechanisms that Western Australia (WA) will use to implement the reforms.

1 Energy Ministers, *Information Paper: Improving gas pipeline regulation*, Department of Climate Change, Energy, Environment and Water (DCCEEW), 2022.

2 See DCCEEW, *Energy Ministers agree final package of gas pipeline regulatory amendments*, DCCEEW website, 22 April 2022.

WA intends to adopt the relevant Gas Pipelines Package amendments through the following instruments:

- the National Gas Access (WA) Adoption of Amendments (Gas Pipelines) Order, which identifies the parts of the *Statutes Amendment (National Energy Laws) (Gas Pipelines) Act 2022* (SA) (Gas Pipelines Act) that are relevant to WA;
- the National Gas Access (WA) (Act Amendment) (Gas Pipelines) Regulations, which modifies the relevant parts of the Gas Pipelines Act to suit WA circumstances; and
- the National Gas Access (WA) (Part 3) Amendment (Gas Pipelines) Regulations, which implements the equivalent national regulations in a WA context.

While feedback on the policy underpinning the Gas Pipelines Package is not sought as this has already been agreed to by national Energy Ministers, stakeholders are invited to provide input on the draft regulatory instruments, available at https://www.wa.gov.au/government/document-collections/consultation-western-australias-adoption-of-the-national-gas-law-gas-pipelines-package.

Once WA's draft instruments come into effect, the Australian Energy Market Commission (AEMC) will consolidate WA's version of the National Gas Rules (NGR(WA)) to reflect the Gas Pipelines Package amendments and publish an updated version at https://energy-rules.aemc.gov.au/wangr.

Consequential amendments arising from the Gas Pipelines Package

The Economic Regulation Authority and Western Australian Energy Disputes Arbitrator have functions under WA's version of the NGL. To ensure that their activities continue to be appropriately funded after WA adopts the Gas Pipelines Package, consequential amendments to the Economic Regulation Authority (National Gas Access Funding) Regulations 2009 and National Gas Access (WA) (Local Provisions) Regulations 2009 are required.

Interested parties can view and provide feedback on these proposed amendments on the Energy Policy WA—Department of Energy and Economic Diversification (DEED) website: https://www.wa.gov.au/government/document-collections/consultation-proposed-changes-the-gas-access-funding-regulations-and-local-provisions-regulations.

Reporting for stand-alone compression service and gas storage facilities

DEED is seeking specific stakeholder feedback on its proposed approach to enabling new Part 18A (Compression and storage terms and prices) in the NGR(WA).

WA intends to adopt Part 18A, which requires service providers of stand-alone compression service facilities and gas storage facilities to publish standing terms and report actual prices paid by users, as part of the Gas Pipelines Package. These measures

aim to address transparency gaps in WA and support more efficient negotiations and market operation.

Part 18A cannot apply to WA until a rule change request is made to the AEMC, extending its application to WA and incorporating definitions into Part 18A to ensure the framework operates as intended. Subject to stakeholder feedback, WA intends to submit a rule change request to the AEMC.

Further details and guiding questions about the proposed application of Part 18A are provided in Section 3.

Transitional arrangement for Goldfields Gas Pipeline

Stakeholder feedback is also sought on the regulatory treatment of the Goldfields Gas Pipeline (GGP), which currently operates under dual regulation.

Two options are under consideration:

1. adopt Schedule 3, clause 129 as drafted in the Gas Pipelines Act, merging the GGP's scheme and non-scheme portions into a single scheme pipeline; and adopt Schedule 6, Rule 26 as drafted in the National Gas Amendment (Gas Pipelines) Rule 2023 (Gas Pipelines Rule), making both portions subject to a single access arrangement; or
2. replace Schedule 3, clause 129 with a WA-specific transitional provision that:
   a. retains the GGP's current dual regulatory status (scheme and non-scheme);
   b. provides that the non-scheme portion of the GGP is subject to the scheme pipeline determination and election processes introduced by the Gas Pipelines Package; and
   c. provides that, if a scheme pipeline determination or election is made in respect of the GGP, the pipeline is regulated as a single pipeline, with a single access arrangement applying.[3]

Further details and guiding questions about the two options are provided in Section 4.

Call for submissions

WA's draft regulatory instruments for implementing the Gas Pipelines Package, along with a marked-up version of the National Gas Access (Western Australia) Law showing the amendments, are available on DEED's website.

[3] A single access arrangement for both portions of the Goldfields Gas Pipeline requires the adoption of Schedule 6, Rule 26 of the National Gas Amendment (Gas Pipelines) Rule 2023 as drafted and, if necessary, a subsequent rule change request to the Australian Energy Market Commission (AEMC) as per Box 3 – Nature of proposed AEMC rule change requests to support Option 2.

DEED invites written submissions, particularly on any practical implementation concerns, the proposed application of Part 18A, and the two options for the GGP. Submissions can be emailed to gasnetworkpolicy@deed.wa.gov.au and stakeholders are asked to provide detailed supporting evidence of direct impacts where possible. A submission feedback template is provided on DEED's website to assist stakeholders in preparing their feedback.

All submissions received will be published at www.energy.wa.gov.au, unless a specific request for confidentiality is made. If this is the case, please indicate which parts of your submission you wish to keep confidential and if you want to remain anonymous.

The consultation period closes at **5:00pm (AWST) on Wednesday 9 December 2026**. Late submissions may not be considered.

1. Introduction

This paper is to advise stakeholders that Western Australia (WA) intends to adopt relevant amendments to the National Gas Law (NGL) regime made by the *Statutes Amendment (National Energy Laws) (Gas Pipelines) Act 2022* (SA) (Gas Pipelines Act), National Gas (South Australia) (Gas Pipelines) Amendment Regulations 2023 (SA) (Gas Pipelines Regulations), and National Gas Amendment (Gas Pipelines) Rule 2023 (Gas Pipelines Rule). These amendments are known collectively as the Gas Pipelines Package.

The Gas Pipelines Package is a set of nationally agreed reforms aimed at simplifying and strengthening the regulation of gas pipelines. Implemented elsewhere in Australia in 2023, it replaces the three-tiered regulatory categorisation of gas pipelines with two categorisations: scheme pipelines (subject to stronger regulation) and non-scheme pipelines (subject to lighter regulation). All pipelines will be required to offer third party access, supporting efficient investment and use of infrastructure.[4]

The Gas Pipelines Package is also aimed at improving regulatory clarity, consistency, and efficiency, while supporting the National Gas Objective (NGO).[5] The reforms strengthen the regulation of pipeline service providers' market power, improve access to pipelines through mandatory access obligations with targeted exemptions, and enhance transparency to support commercial negotiations through the provision of clearer pricing information and improved dispute resolution processes. They also introduce reporting requirements for stand-alone compression service facilities and gas storage facilities and streamline governance arrangements by providing the Economic Regulation Authority (ERA) with responsibility for several new functions.

1.1. National Gas Law

The NGL provides the overarching framework for the economic regulation of gas pipelines and markets across Australia. It is established in accordance with the Australian Energy Market Agreement,[6] an intergovernmental agreement under which all states and territories agreed to develop and implement national energy laws.

South Australia (SA) is lead legislator for the NGL with amendments passing through the SA Parliament.

4 To minimise the regulatory burden for pipelines with no third party users, exemptions will be available from the ring-fencing and associate contract arrangements and the prescribed transparency requirements.

5 The National Gas Objective can be found at: Australian Energy Market Commission (AEMC), *National Energy Objectives*, AEMC website, n.d.

6 The Australian Energy Market Agreement can be found at: *Australian Energy Market Agreement (as amended December 2013)*, Department of Climate Change, Energy, the Environment and Water (DCCEEW) website, 9 December 2013.

The *National Gas Access (WA) Act 2009* (WA) (WA Act) applies the NGL to WA and makes three jurisdiction-specific modifications. In WA:

- the ERA performs economic regulatory functions instead of the Australian Energy Regulator (AER);
- the WA Energy Disputes Arbitrator (WA Arbitrator) handles disputes resolution for scheme pipelines, rather than the AER; and
- the commencement of the Natural Gas Services Bulletin Board provisions is deferred until a day fixed by a Ministerial Order published in the WA *Government Gazette*.[7]

When the Parliament of Western Australia passed the WA Act, it made clear that WA's version of the NGL (the NGL(WA)) only extended to the regulation of access related matters.[8] Over the years, the NGL and NGL(WA) have therefore diverged as the NGL expanded to include matters like retail activities and market transparency mechanisms. Rather than adopting the SA amendments that introduced these matters to the NGL, WA instead chose to use state-based legislation such as the *Energy Coordination Act 1994* (WA) (which regulates WA's retail gas market scheme) and the *Gas Services Information Act 2012* (WA) (which provides for the WA Gas Bulletin Board).

1.2. National Gas Regulations

The National Gas (South Australia) Regulations (SA) (SA Regulations) are the subsidiary legislation for the NGL, providing the detailed administrative, procedural and definitional provisions in support of the NGL.

The National Gas Access (Part 3) Regulations 2009 (WA) (Part 3 Regulations) are WA's equivalent to the SA Regulations. If the SA Regulations are amended and WA wishes to adopt those changes, it must use amendment regulations (as set out in Section 1.4).

1.3. National Gas Rules

The National Gas Rules govern access to gas pipeline services and elements of the broader East Coast gas market. They are made under the NGL and have the force of law.

WA has its own version of the National Gas Rules (the NGR(WA)) that, like the NGL(WA), are focused on third party access matters. The NGR(WA) set out the detailed procedures and obligations for market participants, regulators and dispute resolution bodies.

The NGR(WA) can be amended either by:

- rules made by the SA Minister for Energy that are subsequently adopted by WA; or

[7] The Minister has never fixed a day, so the Natural Gas Services Bulletin Board provisions have never been 'activated' as part of Western Australia's version of the National Gas Law (NGL(WA)). Instead, Western Australia (WA) has established a standalone regime under its *Gas Services Information Act 2012*, which amongst other things provides for WA's Gas Bulletin Board.

[8] Explanatory Memorandum, National Gas Access (Western Australia) Bill 2008 (WA).

- rules made by the Australian Energy Market Commission (AEMC) in accordance with its rule making powers under sections 74 and 313 of the NGL(WA).

The Gas Pipelines Rule, made by the SA Minister for Energy to give effect to the Gas Pipelines Package reforms, commenced in other jurisdictions on 16 March 2023. As part of adopting the Gas Pipelines Package, WA will adopt the applicable rules from the Gas Pipelines Rule into the NGR(WA).[9]

In anticipation of the Gas Pipelines Rule taking effect in WA, the AEMC has completed a minor rule change to correct and clarify several non-material issues in the NGR(WA) to ensure that the Gas Pipelines Rule will operate as intended. The National Gas Amendment (Minor Changes 1) Rule 2026 updates references, definitions and cross-references and resolves technical inconsistencies arising from differences between the NGR(WA) and the National Gas Rules operating in other jurisdictions.

1.4. Instruments that will adopt the Gas Pipelines Package in WA

Unlike other Australian jurisdictions, WA does not automatically adopt SA amendments to the NGL. Instead, it uses a Ministerial Order and regulations to ensure that relevant SA amendments are applied to WA.

National Gas Access (WA) Adoption of Amendments (Gas Pipelines) Order

Under section 7A of the WA Act, the WA Minister uses a Ministerial Order published in the WA *Government Gazette* to declare SA amendments as 'relevant' to the NGL(WA). Once a Ministerial Order commences, the text of the NGL(WA) is updated to reflect the adopted SA amendments.

WA will use the National Gas Access (WA) Adoption of Amendments (Gas Pipelines) Order to adopt the Gas Pipelines Act amendments that are considered relevant to WA. The draft Order can be viewed on the Department of Energy and Economic Diversification's (DEED) website.

While WA intends to declare most amendments made by the Gas Pipelines Act as relevant, some amendments will not be adopted because they relate to NGL provisions introduced through earlier national reforms that WA has not declared relevant (i.e. provisions relating to wholesale and retail gas market arrangements). The amendments that WA will not be adopting are listed in Appendix 1.

[9] This will be done by modifying the definition of 'initial National Gas Rules' in NGL(WA), s 2 to include the National Gas Amendment (Gas Pipelines) Rule 2023 (Gas Pipelines Rule). See Appendix 2.

National Gas Access (WA) (Part 3) Amendment (Gas Pipelines) Regulations

As part of the Gas Pipelines Package, the Gas Pipelines Regulations gave effect to the reforms by amending the SA Regulations.

WA will use the National Gas Access (WA) (Part 3) Amendment (Gas Pipelines) Regulations to reflect these changes by amending the Part 3 Regulations.

Several amendments made by the Gas Pipelines Regulations, listed in Appendix 1, are not considered relevant to WA and will therefore not be implemented.

National Gas Access (WA) (Act Amendment) (Gas Pipelines) Regulations

Under section 7B of the WA Act, the WA Governor may make regulations amending the NGL(WA) 'as is necessary or expedient to deal with the consequences of' adopting or not adopting an SA amendment.

In its adoption of the Gas Pipelines Package, WA will use the National Gas Access (WA) (Act Amendment) (Gas Pipelines) Regulations to amend the provisions inserted into the NGL(WA) by the National Gas Access (WA) Adoption of Amendments (Gas Pipelines) Order. Appendix 2 provides an explanation for each modification.

1.5. Adopting supporting amendments from earlier reform packages

The WA Parliament's decision to limit the NGL(WA) to access matters has created differences between the NGL(WA) and the national version of the NGL, with WA only adopting NGL reform packages that amend the access framework. Because NGL reforms build on each other sequentially—often relying on concepts, definitions and structures introduced in earlier amendments (or in parts that do not apply to WA)—the divergence between the NGL(WA) and NGL can make the implementation of further reforms in WA more complex.

To ensure the Gas Pipelines Package operates as intended in WA, it is necessary to adopt certain structural and definitional elements from earlier reforms. These elements can be thought of as the building blocks required to implement the Gas Pipelines Package, ensuring the NGL(WA) contains the necessary provisions to avoid gaps, conflicts, or drafting issues. Importantly, these elements are technical in nature and do not implement the substantive policy outcomes of those earlier reform packages. For example, WA will adopt some of the definitions introduced by the Market Transparency Package but will not adopt the market transparency mechanisms introduced by that package.

The specific SA amending Acts that WA will adopt using the National Gas Access (WA) Adoption of Amendments (Gas Pipelines) Order are those associated with the Australian

Energy Market Operator Package, Capacity Trading and Auctions Package and Market Transparency Package. Appendix 3 lists the specific amendments from these packages that will be adopted.

2. Nationally agreed reforms

This section outlines the key elements of the Gas Pipelines reforms that will be adopted in WA. For a more detailed explanation about how the new pipeline regulatory framework is intended to operate, stakeholders are encouraged to see the information provided on the Energy and Climate Change Ministerial Council webpages.

2.1. Access to pipelines and forms of regulation

The Gas Pipelines Package, once applied to WA, will simplify the regulatory categorisation of gas pipelines in WA by transitioning from the three existing categories to two: scheme and non-scheme pipelines.

Under the current framework:

- scheme pipelines that are full regulation pipelines (e.g. the Dampier to Bunbury Natural Gas Pipeline) operate under access arrangements approved by the ERA;
- scheme pipelines that are light regulation pipelines (e.g. the Kalgoorlie to Kambalda Pipeline) are subject to a negotiate-arbitrate model with limited oversight; and
- non-scheme pipelines are subject to information disclosure requirements and a commercially oriented dispute resolution framework. Some of these pipelines, such as non-scheme pipelines that do not provide third party access, may hold exemptions from certain obligations.

Once the Gas Pipelines Package is adopted in WA, these three pipeline categories will transition to two (scheme or non-scheme). All pipelines will continue to be required to provide third party access, if sought.[10]

Table 1 provides an overview of the new pipeline categories.

Table 1 – Pipeline categories after the Gas Pipelines Package commences

Pipeline categorisation	Form of regulation	How will a pipeline be subject to this form of regulation?
Scheme pipeline	Stronger regulation based on existing full regulation: negotiate-arbitrate model with reference tariffs approved by the ERA and a regulatory dispute resolution mechanism.	If: • they are pipelines with full access arrangements (i.e. covered or scheme pipelines) prior to the Gas

[10] Exemptions will be available from the ring-fencing and associate contract arrangements and the prescribed transparency requirements for pipelines with no third party users.

		Pipelines Package commencing in WA;[11] • the ERA makes a scheme pipeline determination in relation to the pipeline;[12] • the pipeline service provider elects for it to become a scheme pipeline;[13] or • the pipeline is a designated pipeline under the NGL.[14]
Non-scheme pipeline	Lighter regulation based on Part 23 (Access to non-scheme pipelines) of the National Gas Rules:[15] negotiate-arbitrate model with information disclosure and commercially-oriented dispute resolution.	If: • they are not scheme pipelines prior to the Gas Pipelines Package commencing in WA; • they are scheme pipelines subject to light regulation prior to the Gas Pipelines Package commencing in WA;[16] • they are new pipelines; or • the ERA makes a scheme pipeline revocation determination in relation to the pipeline.[17]

2.2. Form of regulation decisions

The Gas Pipelines Package introduces a simplified framework for determining a pipeline's form of regulation. The current coverage test will be removed and responsibility for form of regulation decisions will transfer from the National Competition Council (NCC) and relevant Minister to the ERA.[18]

The ERA will be responsible for determining whether a pipeline should be a scheme or non-scheme pipeline by making scheme pipeline determinations or scheme pipeline

11 Details on current scheme pipelines can be found on the Economic Regulation Authority (ERA) website at https://www.erawa.com.au/gas/gas-access.

12 *Statutes Amendment (National Energy Laws) (Gas Pipelines) Act 2022* (Gas Pipelines Act), s 52 will insert a new Chapter 3 (Regulatory framework for pipelines) into the NGL(WA), including ss 92–94, which relate to scheme pipeline determinations. Gas Pipelines Rule, r 13 will insert a new Part 4 (Regulatory determinations and elections) into WA's National Gas Rules (NGR(WA)), including the process for scheme pipeline determinations.

13 Gas Pipelines Act, s 52 will insert a new Chapter 3 (Regulatory framework for pipelines) into the NGL(WA), including ss 95–96, which relate to scheme pipeline elections. Gas Pipelines Rule, r 13 will insert a new Part 4 into the NGR(WA), including the process for scheme pipeline elections.

14 There are three designated pipelines in WA: the Dampier to Bunbury Natural Gas Pipeline, the Goldfields Gas Pipeline (GGP), and the Mid-West and South-West Gas Distribution Systems. These can only become non-scheme pipelines if WA revokes the designation.

15 Part 23 (Access to non-scheme pipelines) was inserted into the NGR(WA) through WA's adoption of the National Gas (Pipelines Access-Arbitration) Amendment Rules 2017. Part 23 facilitated access to non-scheme pipelines on reasonable terms by introducing information disclosure, access requests, and arbitration arrangements for non-scheme gas pipelines.

16 In WA, there is only one pipeline to which this applies: the Kalgoorlie to Kambalda Pipeline.

17 Gas Pipelines Act, s 52 will insert a new Chapter 3 (Regulatory framework for pipelines) into the NGL(WA), including ss 97–99, which relate to scheme pipeline revocation determinations. Gas Pipelines Rule, r 13 will insert a new Part 4 into the NGR(WA), including the process for scheme pipeline revocation determinations.

18 Elsewhere in Australia, form of regulation decisions are made by the Australian Energy Regulator (AER).

revocation determinations. These determinations may be initiated by interested parties or the ERA itself.[19]

The changes provide a more streamlined governance and decision-making structure, reducing duplication and delay, improving regulatory certainty, and strengthening incentives against the exercise of market power.

2.3. Scheme pipeline elections

The Gas Pipelines Package simplifies the process by which non-scheme pipelines can choose to become subject to full regulation.[20] Rather than submitting a voluntary access arrangement, service providers may elect for a non-scheme pipeline to become a scheme pipeline by lodging a scheme pipeline election with the ERA. The election takes effect on a date set by the ERA or, if no date is set, within 12 months of receipt of the scheme pipeline election.[21]

2.4. Greenfields pipelines

Greenfields pipelines are new pipelines built to meet growing demand or expand network capacity.

The Gas Pipelines Package replaces the current competitive tender and 15-year no-coverage arrangements with new greenfields incentive and price protection determinations:[22]

- Greenfields incentive determinations may be granted to new pipelines that are unlikely to have substantial market power, exempting them from being a scheme pipeline (and therefore full regulation) for up to 15 years.
- Greenfields price protection determinations, which may be granted to pipelines with a greenfields incentive determination, specifies the prices and non-price terms and conditions for pipeline services on the new pipeline. Those prices are binding on an arbitrator in the event of an access dispute during the protection period.[23]

The ERA is responsible for making both types of determinations.

All pipelines with a greenfields incentive will be non-scheme pipelines and therefore subject to the lighter form of regulation set out in Table 1.

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19 The ERA will have the discretion to disregard applications it considers vexatious or lacking in substance.

20 Currently, service providers of non-scheme pipelines can choose to become subject to full regulation by submitting a voluntary access arrangement to the ERA in accordance with NGL(WA), s 127 and NGR(WA), r 47.

21 Gas Pipelines Act, s 52 will insert a new Chapter 3 (Regulatory framework for pipelines) into the NGL(WA), including ss 95–96, which relate to scheme pipeline elections. Gas Pipelines Rule, r 13 will insert a new Part 4 into the NGR(WA), including the process for scheme pipeline elections.

22 For more details see Energy Ministers, *Information Paper: Improving gas pipeline regulation*, DCCEEW, 2022, pp 4-5.

23 Gas Pipelines Act, s 52 will insert a new Chapter 3 (Regulatory framework for pipelines) into the NGL(WA), including Part 3 (Greenfields incentive determinations and greenfields price protection determinations).

These reforms aim to encourage efficient investment and streamline the regulatory process while maintaining appropriate protections for users.

2.5. Dispute resolution mechanisms

The Gas Pipelines Package does not fundamentally alter the dispute resolution mechanisms for scheme and non-scheme pipelines. An independent arbitrator, selected from a pool of arbitrators established by the ERA, will still determine non-scheme pipeline access disputes while the WA Arbitrator will continue to determine scheme pipeline access disputes.

However, the reforms strengthen the dispute resolution mechanism for scheme pipelines by, amongst other things:

- setting out the matters that the WA Arbitrator must consider;
- introducing a fast-track option, specifying the maximum period for the WA Arbitrator to make its decision; and
- specifying the material to be published on the decision.

The reforms will improve access to dispute resolution mechanisms for small shippers by:

- strengthening dispute-related cost provisions;
- allowing user bodies to join proceedings involving small shippers; and
- allowing small shippers to elect to have a dispute mediated by a mediator appointed either by agreement of the parties to the dispute or, if an agreement cannot be reached, by the ERA after consultation with the parties.

2.6. Information disclosure requirements for pipelines

The Gas Pipelines Package establishes a consistent and strengthened framework for information disclosure across both scheme and non-scheme pipelines. It will enhance transparency, give users better access to important information, and support more effective negotiations between pipeline service providers and users.

Under this framework, all providers of scheme and non-exempt non-scheme pipeline services will be required to publish basic information, including:

- standing terms for each service offered by the pipeline, service availability and usage information;
- historical financial and demand information, and the cost allocation methodology employed by the service provider;
- a user access guide; and

- information on the actual prices paid by shippers, including relevant terms and conditions.[24]

Exemptions

The framework recognises that not all pipelines present the same level of risk or market power and builds on the approach established under Part 23 (Access to non-scheme pipelines) of the NGR(WA).

Consistent with current arrangements, pipelines with no third party users may apply for an exemption from all reporting obligations, while single-user pipelines and pipelines with a capacity below 10 terajoules per day may apply for exemption from publishing historical financial and service usage information.[25] The reforms make existing exemptions clearer by specifying who may seek an exemption, setting defined eligibility thresholds, and by standardising the application process while continuing to limit regulatory requirements for pipelines that pose little risk.

Stakeholder feedback on draft instruments

1. Do you have any feedback on the practical implementation of the Gas Pipelines Package in WA, including the following consultation drafts:
   - the National Gas Access (WA) Adoption of Amendments (Gas Pipelines) Order 2026;
   - the National Gas Access (WA) (Act Amendment) (Gas Pipelines) Regulations 2026; and
   - the National Gas Access (WA) (Part 3) Amendment (Gas Pipelines) Regulations 2026.

Feedback should focus on how these instruments will operate in WA, rather than on the underlying policy as this has already been agreed to by national Energy Ministers.

[24] Gas Pipelines Act, s 61 will delete existing NGL(WA), s 136 and substitute new ss 136–136C into NGL(WA). New s 136C requires service providers to publish the information prescribed in the NGR(WA) unless an exemption is obtained. Gas Pipelines Rule r 59 deletes Parts 10–12 (inclusive) and substitutes new Parts 10–12 into the NGR(WA). New Part 10 (Prescribed transparency information) is modelled on the provisions in current Part 23 but is extended to apply to scheme and non-scheme pipelines.

[25] These exemptions will be set out in new Part 10, Division 2, Subdivision 2 of the NGR(WA), which will be inserted by Gas Pipelines Rule, r 59.

3. Reporting for stand-alone compression service and gas storage facilities

3.1. Background

The Gas Pipelines Package introduces new transparency and reporting obligations for stand-alone compression service facilities and gas storage facilities. These obligations will be set out in new sections 83A and 83AA of the NGL(WA) and in new Part 18A (Compression and storage terms and prices) of the NGR(WA).[26] The obligations seek to align the reporting requirements for compression and storage facility operators with those that will apply to pipeline service providers.

Under the new framework, service providers of Part 18A facilities will be required to publish standing terms for each of the services offered as well as information on the prices paid by users (including key terms and conditions).

The ERA will be responsible for administering these obligations. This includes publishing and maintaining price reporting guidelines, managing exemption and exemption revocation processes, maintaining a public register of exemptions and exemption revocations, and monitoring compliance.

These reforms build on earlier national work to enhance transparency in gas pipeline services. A 2018 report by the Australian Competition and Consumer Commission (ACCC) and the Gas Market Reform Group, for example, noted that there was limited publicly available information on standing prices and actual prices paid for stand-alone compression and storage services.[27] The lack of transparency was found to hinder users' ability to assess access options and price fairness, weaken the efficiency of negotiations and trade, and compromise market operation. Over time, investment signals could be distorted, undermining future infrastructure development.[28]

In WA, stand-alone compression and storage facilities are currently not subject to formal price reporting obligations, and service providers are not required to publish service terms, conditions, or prices, limiting transparency for prospective users. A 2024 WA parliamentary inquiry found that gas storage facilities play an important role in the State's energy security and are likely to increase in significance as WA transitions towards net zero.[29] By adopting the relevant Gas Pipelines amendments, WA aims to improve access to pricing and

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26 Gas Pipelines Act, s 46 will delete existing s 83A and substitute new ss 83A and 83AA into the NGL(WA). Gas Pipelines Rule, r 78 will insert the new Part 18A (Compression and storage terms and prices) into the NGR(WA).

27 Australian Competition and Consumer Commission (ACCC) and Gas Market Reform Group (GMRG), *Measures to improve the transparency of the gas market*, ACCC and GMRG, 21 December 2018, p 1.

28 ACCC and GMRG, *Measures to improve the transparency of the gas market*, p 35.

29 Economics and Industry Standing Committee, *Domestic Gas in a Changing World—Inquiry into the WA Domestic Gas Policy: Final Report*, Legislative Assembly, WA Parliament, August 2024, p 63, finding 43.

service information across the gas supply chain and support more efficient contracting of storage capacity.

3.2. Applying the new transparency and reporting requirements to WA

While Part 18A will be inserted into the NGR(WA) by WA's adoption of the Gas Pipelines Rule, it will initially not apply to the State due to Rule 198C. Rule 198C sits in Part 18A and provides that the Part does not apply to a WA-based facility until activated by an order notice under section 20A of the NGL(WA). As section 20A was designed for the Natural Gas Services Bulletin Board provisions—which WA has chosen not to activate—Part 18A cannot commence unless Rule 198C is amended or removed.[30]

Subject to this public consultation process and stakeholder feedback, WA intends to submit a rule change request to the AEMC to remove Rule 198C from Part 18A of the NGR(WA), thereby enabling the new transparency and reporting obligations for stand-alone compression and storage facilities to apply to WA.

It is likely that the rule change request will also seek to insert the definitions of 'gas storage facility' and 'stand-alone compression service facility' into Part 18A. Currently, Part 18A defines these terms by reference to Parts of the National Gas Rules that WA has either not enabled or adopted in the NGR(WA) (see Box 1).

Other consequential amendments may also be required to ensure that Part 18A works in WA as intended.

In addition to engaging in DEED's consultation process (see stakeholder feedback questions below), stakeholders will be able to provide their views on the proposed approach to applying Part 18A to the NGR(WA) by lodging a submission on the rule change proposal as part of the AEMC's rule change process.

[30] WA has a state-based Gas Bulletin Board established under the *Gas Services Information Act 2012*, Gas Services Information Regulations 2012 and Gas Services Information Rules.

Box 1 – Nature of proposed AEMC rule change requests to enable Part 18A in WA

Removal of Rule 198C

Rule 198C provides that Part 18A does not apply to a WA-based facility until activated by an order notice under section 20A of the NGL(WA). As section 20A was designed for the Natural Gas Services Bulletin Board provisions—which WA has chosen not to activate—Part 18A cannot commence unless Rule 198C is amended or removed.

Insertion of 'gas storage facility' and 'stand-alone compression service facility' definitions into Part 18A

Part 18A, Division 2 (Information) requires the service provider of a 'Part 18A facility' to publish and maintain standing terms for each service offered by means of their facility, and actual prices payable information for each facility service that a user has procured under a contract with the service provider.

Rule 198A(1) defines Part 18A facilities as:

- a designated compression service facility;[31] or
- a stand-alone compression service facility; or
- a gas storage facility.

Rule 198A(1) also contains the definition of 'gas storage facility' and 'stand-alone compression service facility', which are:

- '**gas storage facility** has the same meaning as in Part 18'; and
- '**stand-alone compression service facility** has the same meaning as in Part 24'.

WA cannot rely on these definitions because neither Part 18 nor Part 24 (which is where the definitions reside) have no operative effect in WA. A rule change request may therefore propose that the definitions be included directly in Part 18A itself.

Questions for stakeholders on the proposed application of Part 18A

2. Do you support DEED's proposal to remove Rule 198C so that Part 18A can apply to WA-based stand-alone compression service facilities and gas storage facilities?
3. Are there any interactions between Part 18A reporting obligations and existing commercial, contractual, or regulatory frameworks in WA that DEED should consider?
4. Are there any WA-specific market characteristics that may affect how effective Part 18A will be in improving transparency and negotiation efficiency?

[31] The obligations will not apply to designated compression service facilities as, even after the Gas Pipelines and Other Gases Packages commence, WA will not have prescribed any facilities as designated compression service facilities in the National Gas Access (WA) Part 3 Regulations 2009.

4. Transitional arrangement for the Goldfields Gas Pipeline

4.1. Background

The Goldfields Gas Pipeline (GGP) is a 1,378-kilometre transmission pipeline extending from Yarraloola in the Pilbara to Kalgoorlie in the Goldfields region. It was constructed under the Goldfields Gas Pipeline Agreement signed on 23 March 1994 between the State of Western Australia and the Goldfields Gas Transmission Joint Venture and ratified by the *Goldfields Gas Pipeline Agreement Act 1994* (WA).

The GGP facilitates the transportation of natural gas from the Carnarvon Basin to key mining and industrial regions across the Pilbara, Mid-West, and Goldfields via either the Dampier to Bunbury Natural Gas Pipeline or the Varanus Island gas processing facilities. It is owned by the APA Group (APA) and operated by the Goldfields Gas Transmission Pty Ltd.

Under the NGL(WA), the GGP operates as two notional pipelines:

- A scheme pipeline: The scheme (also known as fully regulated or 'covered') portion of the GGP comprises the original transmission infrastructure constructed in 1996, along with compressor stations added between 2001 and 2004. Around 58 per cent of its capacity is covered and subject to an ERA-approved access arrangement,[32] which sets the terms, conditions, and pricing for third party access.
- A non-scheme pipeline: The non-scheme (or 'uncovered') portion of the GGP arose due to expansions of the GGP between 2006 and 2013, which saw the pipeline's capacity increase through the installation of six compressor stations. Around 42 per cent of the GGP's capacity is considered a non-scheme part of GGP.[33] It is not subject to a formal access arrangement but is regulated under Part 23 (Access to non-scheme pipelines) of the NGR(WA).[34]

The GGP is the only gas pipeline in Australia that is regulated in this way. The anomalous dual regulatory status stems from the now-repealed National Third-Party Access Code, which allowed service providers to elect how pipeline expansions were treated for regulatory purposes. The capacity that has been treated as a separate notional pipeline is only available because of compression assets that have no separate distinct pipeline assets.

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32 ERA, *Access Arrangement Information for the Goldfields Gas Pipeline (2025–2029): ERA Approved*, ERA, 18 December 2024, p 1. The GGP's covered capacity includes additional capacity created on the GGP by the Northern Goldfields Interconnect (NGI). The NGI commenced operations in June 2023 and connects to the GGP approximately 40 kilometres south of Leinster.

33 ERA, *Access Arrangement Information for the Goldfields Gas Pipeline (2025–2029)*, p 1.

34 NGR(WA), Part 23 currently provides for the publication and exchange of information, a commercially-orientated arbitration process, and principles that an arbitrator must have regard to when determining access disputes.

4.2. Gas Pipelines Package's treatment of pipeline expansions

The Gas Pipelines Act introduces amendments that require all capacity expansions to be treated as part of the same pipeline for regulatory purposes.[35] These amendments were made in response to long-standing concerns about total capacity on the same infrastructure being subject to two levels of regulation, which increases the complexity of the regulatory regime and gives service providers the ability to engage in monopoly pricing in relation to such expansions (see Box 2).

The national consultation paper and draft legal package for the Gas Pipelines Package set out the changes to the NGL and SA Regulations that were required to treat pipeline expansions in this way and sought stakeholders' views on the proposed amendments.[36] Multiple stakeholders made submissions in response to this proposal, including APA.[37]

Previous consultation on Schedule 3, clause 129

To address the GGP's dual regulatory status, the Gas Pipelines Act includes a transitional provision (Schedule 3, clause 129) that, if adopted in WA, will merge the GGP's capacity that is currently treated as a separate non-scheme pipeline into the scheme pipeline, bringing the entire pipeline under full regulation. The provision operates alongside a transitional rule (Schedule 6, Rule 26), which requires the merged GGP to be subject to a single access arrangement when the ERA makes its next access arrangement proposal decision for the GGP.

During the national consultation process for the Gas Pipelines Package, APA raised concerns that they were not explicitly consulted on the final legislative drafting of Schedule 3, clause 129.

While the draft Bill released for public consultation did not include the text that would become Schedule 3, clause 129, the national consultation paper set out the intended operation and effect of such a transitional provision, noting:

> *An additional transitional provision will be inserted in the final package to set out what is to occur where a scheme pipeline subject to full regulation has been expanded but the expansion does not currently form part of the scheme pipeline…. For example, the original capacity of the Goldfields Gas Pipeline (GGP) is considered a scheme pipeline, while the expansion undertaken in 2015 was excluded from the scheme pipeline and is therefore considered a non-scheme part of the pipeline.* [38]

Therefore, it was clear to stakeholders that the final drafting would reflect the consulted policy concepts and outcomes, rather than introduce a new or untested policy position.

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35 Gas Pipelines Act, s 24 will substitute ss 18 and 19 in the NGL(WA). Note: Expansions of a pipeline are additional assets that lead to increased capacity of the pipeline, as opposed to extensions of the pipeline that extends the geographic range of the pipeline.

36 Energy Senior Officials, *Consultation Paper: Improving gas pipeline regulation, Proposed legal package to give effect to the Decision Regulation Impact Statement*, DCCEEW, September 2021, pp 28–30.

37 DCCEEW, *Energy Ministers agree final package of gas pipeline regulatory amendments*.

38 Energy Senior Officials, *Consultation Paper*, p 58.

Nonetheless, to address concerns and ensure transparency, DEED is seeking stakeholder feedback on two possible options for the treatment of the GGP in WA's adoption of the Gas Pipelines Package.

Box 2 outlines the historical reviews and national consultation processes that informed the development of Schedule 3, clause 129.

Box 2 – Regulatory history and rationale for Schedule 3, clause 129

Schedule 3, clause 129 gives effect to a long-standing, nationally consulted policy position on the treatment of pipeline expansions within the gas pipeline regulatory framework.

In 2016, an ACCC gas inquiry found that fully-regulated pipelines with additional capacity that was not subject to economic regulation may be able to engage in monopoly pricing to the detriment of consumers and economic efficiency.[39] It recommended that the Council of Australian Governments (COAG) Energy Council ask the AEMC to review the National Gas Rules and make changes to address these concerns.[40]

These concerns were echoed in WA. In its final decision on the GGP's third access arrangement, the ERA noted that the GGP used regulated assets (i.e. what is now the scheme pipeline infrastructure) to transport its uncovered capacity. Given that these assets were—and are—regulated because of their natural monopoly characteristics, the ERA considered it was not unreasonable to expect that the service provider would exercise some degree of market power in the provision of uncovered services and charge tariffs as close as possible to each user's opportunity cost.

In this context, the ERA said that, based on economic principles and without contrary evidence, it was not unreasonable to assume that 'tariffs for uncovered services will not only exceed their incremental cost but also exceed the long run average cost of all services provided by the GGP'.[41]

In May 2017, the COAG Energy Council directed the AEMC to undertake a review into the scope of economic regulation applied to covered pipelines.

The AEMC considered the treatment of expansions in its final report, with the GGP and its uncovered capacity referenced as an example of the inconsistent regulatory treatment of expansions.[42] The AEMC recommended that existing and future expansions to covered pipelines' capacity be regulated in the same way as the original pipeline and that all expansions be included in an access arrangement. It considered this approach would 'prevent the service

39 ACCC, *Inquiry into the east coast gas market*, ACCC, April 2016, pp 135, 141.

40 ACCC, *Inquiry into the east coast gas market,* pp 11, 20, 141. The ACCC specifically found evidence of gas pipelines benefitting from 1.4 to 20 times higher than the benchmark return on equity in the eastern states.

41 ERA, *Final Decision on Proposed Revisions to the Access Arrangement for the Goldfields Gas Pipeline*, 30 June 2016, as amended on 21 July 2016, pp 430–431, 517.

42 AEMC, *Review into the scope of economic regulation applied to covered pipelines*, Final Report, AEMC, 3 July 2018, pp 61, 64.

providers from monopolistic pricing over the expansions, which is in the long-term interest of consumers.'[43]

At the request of the COAG Energy Council, the AEMC then conducted a rule change process to amend the National Gas Rules and implement its review recommendations. The GGP was again referenced as an example of the inconsistent regulatory treatment across pipelines.[44] However, the final rule did not require existing expansions of a covered pipeline to be included in an access arrangement because, as the AEMC noted, implementing this recommendation required amendments to the NGL.[45]

The official consultation process for what would become the Gas Pipelines Package began in October 2019 with the COAG Energy Council's release of a Consultation Regulation Impact Statement (C-RIS). The C-RIS formally assessed the problems identified in earlier reviews and tested policy options for improving gas pipeline regulation, including the treatment of pipeline expansions.[46]

The same month, an analysis of Part 23 information provided by uncovered pipelines concluded that from 2014 to 2018 the uncovered GGP's rate of return was higher than AER and ERA average determination values. In particular, the GGP's rate of return in 2018 was much higher across years and pipelines.[47]

In 2021, the Decision Regulation Impact Statement confirmed the preferred package for improving gas pipeline regulation, including the policy position that expansions to scheme pipelines should be treated consistently with the original pipeline, and that legislative amendments were required to give effect to this outcome for existing expansions.[48]

Together, these reviews and consultation processes resulted in the Gas Pipelines amendments that require all capacity expansions to be treated as part of the same pipeline for regulatory purposes, and Schedule 3, clause 129, which ensures the regulation of the GGP will align with the new framework.

43 AEMC, *Review into the scope of economic regulation applied to covered pipelines*, pp 68, 59.

44 AEMC, *Regulation of covered pipelines: Rule determination*, AEMC, 14 March 2019, pp 26–27.

45 AEMC, *Regulation of covered pipelines: Rule determination,* p 25, fn 39.

46 COAG Energy Council, *Options to improve gas pipeline regulation: COAG Regulation Impact Statement for consultation,* Commonwealth of Australia, October 2019.

47 Toby Brown, Paul Carpenter and Nguyet Nguyen, *Financial information disclosed by gas pipelines in Australia under Part 23 of the National Gas Rules*, commissioned by the Department of the Environment and Energy, October 2019, Table 12, p 49.

48 Energy Ministers, *Options to improve gas pipeline regulation: Regulation impact statement for decision*, Commonwealth of Australia, 2021.

4.3. Options for consideration

DEED is seeking stakeholder feedback on two possible options for the treatment of the GGP in WA's adoption of the Gas Pipelines Package. They are, in summary:

- **Option 1:**
  - adopt Schedule 3, clause 129 as drafted in the Gas Pipelines Act, which will merge the scheme and non-scheme portions of the GGP into a single, fully regulated pipeline; and
  - adopt Schedule 6, Rule 26 as drafted in the Gas Pipelines Rule, which will make both portions subject to a single access arrangement following the next access arrangement proposal decision for the GGP.
- **Option 2:**
  - replace Schedule 3, clause 129 with a WA-specific transitional provision that:
    - » retains the GGP's current dual regulatory status (scheme and non-scheme);
    - » provides that the non-scheme portion of the GGP is subject to the scheme pipeline determination and election processes introduced by the Gas Pipelines Package; and
    - » provides that, if a scheme pipeline determination or election is made in respect of the GGP, the pipeline is regulated as a single pipeline;
  - adopt Schedule 6, Rule 26 as drafted in the Gas Pipelines Rule; and
  - if required, later submit a rule change request to the AEMC to ensure that both portions of the GGP are subject to a single access arrangement.

The provision introduced under Option 2 will also be clause 129 of Schedule 3, but to differentiate it from clause 129 as drafted in the Gas Pipelines Act, will be referred to as 'the WA-specific transitional' throughout this paper.

Option 1: Adopt the existing NGL transitional provision

Under Option 1, WA will adopt Schedule 3, clause 129 of the NGL.[49] This clause reads as follows:

129—Provision for Goldfields Gas Pipeline

1) On the commencement day, any expansion of the Goldfields Gas Pipeline that did not previously form part of the scheme pipeline becomes part of the scheme pipeline.
2) In this section—

Goldfields Gas Pipeline means the transmission pipeline between Yarraloola and Kalgoorlie in Western Australia and defined in Pipeline Licence 24 (as amended) issued under the *Petroleum Pipelines Act 1969* of Western Australia, including any extension to, or expansion of the capacity of, that pipeline.

[49] WA will adopt Schedule 3, clause 129 by declaring Gas Pipelines Act, s 90(2) as relevant to WA.

This is the transitional provision implemented as a part of the Gas Pipelines Package and will merge the scheme and non-scheme portions of the GGP into a single scheme pipeline as intended by the reforms, bringing the entire pipeline under full regulation.

Under Option 1, WA will also adopt Schedule 6, Rule 26 of the National Gas Rules.[50] Rule 26 reads as follows:

26 Existing expansions not previously included in access arrangements to be included in next access arrangement revisions

1) This rule applies to the service provider for the Goldfields Gas Pipeline.
2) The service provider must, in its next access arrangement proposal, include all expansions of the capacity of the scheme pipeline that have not previously been included in the access arrangement (on the basis that those expansions of capacity of the scheme pipeline will be taken to be part of the scheme pipeline and the access arrangement will apply to pipeline services provided by means of the scheme pipeline as expanded).
3) The service provider must, as part of the access arrangement proposal, in relation to those parts of the pipeline that have not previously been included in the access arrangement:
   a) include access *arrangement information* that relates to those parts of the pipeline in accordance with rule 72;
   b) calculate a capital base for those parts of the pipeline in accordance with rule 77.
2) The AER must, when making its *decision* on the *access arrangement proposal* in accordance with Part 8 of these rules:
   a) assess the service provider's calculation of the capital base submitted under subrule (3)(b) taking into account the provisions of rule 77; and
   b) calculate the capital base for the pipeline which includes the capital value of the expansion that has not previously been included in relation to the access arrangement.
3) For the purposes of the later *access arrangement period* that then applies under rule 77, the capital base calculated under subrule (4)(b) will be taken to be the opening capital base that is rolled forward under rule 77(2).

Implications of Option 1

If implemented in WA, Option 1 may lead to the following outcomes:

- Better control of any market power: Put downward pressure on gas transportation tariffs and incentivise greater usage of the pipeline. Reducing economic inefficiencies associated with potential use of monopolistic power on the uncovered capacity should better achieve the National Gas Objective for all current and potential users of the pipeline. This would support greater investment in the State, while still providing the service provider with an opportunity to earn a reasonable return on investment.
- Enhanced transparency: A single access arrangement will apply across the entire pipeline, improving visibility of pricing, terms, and service standards for all users.

[50] WA will adopt Schedule 6, r 26 by using the National Gas Access (WA) (Act Amendment) (Gas Pipelines) Regulations to modify the definition of 'initial National Gas Rules' so that it includes Gas Pipelines Rule, r 99. Rule 99 inserts new Schedule 6 into the NGR(WA), including new rule 26. See Appendix 2.

- Improved third party access: Third parties will benefit from consistent access rights and obligations across the entire pipeline, reducing negotiation complexity and potential disputes.
- Market confidence: Investors and users will have greater certainty about the regulatory environment, supporting long-term planning and investment, while still allowing for a commercial (but regulated) return.
- Regulatory consistency: All GGP capacity will be subject to the same level of regulation, eliminating the current split and simplifying compliance and oversight.
- Uniformity of access dispute resolution: The entire pipeline will be subject to one arbitration regime for scheme pipelines.
- Ability to apply for a scheme pipeline revocation determination: Any concern about the GGP's new form of regulation can be addressed through a subsequent form of regulation review.
- Alignment with national policy: WA's framework will be aligned with the NGL as amended by the Gas Pipelines Act. Greater alignment will reduce the risk and regulatory cost associated with divergence between the NGL and the NGL(WA).
- Reduce regulatory costs: The above benefits should also reduce regulatory costs for the regulator, service provider and all other stakeholders.

Option 2: Introduce a WA-specific transitional provision

Under Option 2, WA will use the:

- National *Gas* Access (WA) Adoption of Amendments (Gas Pipelines) Order to exclude section 90 'to the extent that it inserts clause 129' from the Gas Pipelines Act amendments declared relevant to WA, thereby ensuring that the NGL(WA) does not include Schedule 3, clause 129.[51]
- National Gas Access (WA) (Act Amendment) (Gas Pipelines) Regulations to insert the WA-specific transitional provision into the NGL(WA).

The WA-specific transitional will enable the GGP to retain its dual status (scheme and non-scheme) and ensure that both GGP portions will be subject to the new form of regulation framework introduced by the Gas Pipelines Package.

Should a scheme pipeline determination be made in relation to the non-scheme portion or the GGP service provider elects to have the non-scheme portion become a scheme pipeline, the WA-specific transitional will ensure that both portions become part of the same pipeline for regulatory purposes.

[51] WA will not adopt Schedule 3, clause 129 by excluding s 90 'to the extent that it inserts clause 129' from the Gas Pipelines Act amendments that are declared relevant to WA.

The proposed WA-specific transitional reads as follows:

129—Provision for Goldfields Gas Pipeline

1) In this clause —

Goldfields Gas Pipeline —

a) means the transmission pipeline defined in Pipeline Licence 24, issued under the *Petroleum and Greenhouse Gas Pipelines Act 1969*, as in effect immediately before commencement day; and

b) includes any extension to, or expansion of the capacity of, that pipeline that existed immediately before commencement day;

non-scheme Goldfields Gas Pipeline means the non-scheme pipeline deemed under subclause (2)(b);

scheme Goldfields Gas Pipeline means —

a) the scheme pipeline deemed under subclause (2)(a); and

b) any extension to, or expansion of the capacity of, that pipeline that under this Law is taken to be part of that pipeline.

Note for this definition:
In relation to paragraph (b), see subclauses (4), (5) and (6) and section 18.

2) The Goldfields Gas Pipeline —

a) to the extent that it was, immediately before commencement day, a covered pipeline, is, on commencement day, deemed to be —

i) a pipeline; and

ii) a scheme pipeline;

and

b) to the extent that it provides pipeline services by means of an expansion of the capacity of the pipeline that, under the pre-amended Law, was not taken to be part of the covered pipeline, is deemed to be —

i) a pipeline; and

ii) despite paragraph (b) of the definition of ***scheme pipeline*** in section 2, a non-scheme pipeline.

3) On commencement day, a scheme pipeline determination is deemed to have been made in relation to the Goldfields Gas Pipeline to the extent that it was, immediately before commencement day, a covered pipeline.

4) Despite section 19, an expansion of the capacity of the non-scheme Goldfields Gas Pipeline must be taken to be an expansion of the capacity of the scheme Goldfields Gas Pipeline.

Note for this subclause:
See section 18(3) in relation to the effect of an expansion of the capacity of the scheme Goldfields Gas Pipeline.

5) An extension to the non-scheme Goldfields Gas Pipeline must be taken to be an extension to the scheme Goldfields Gas Pipeline.

Note for this subclause:
See section 18(1) and (2) in relation to the effect of an extension of the scheme Goldfields Gas Pipeline.

6) Despite section 94 and 96(3), if a scheme pipeline determination or scheme pipeline election is made in relation to the non-scheme Goldfields Gas Pipeline, then, when the determination or election takes effect —

a) subclause (2)(b) ceases to have effect; and

b) the non-scheme Goldfields Gas Pipeline must be taken to be part of the scheme Goldfields Gas Pipeline; and

c) the scheme Goldfields Gas Pipeline as expanded must be taken to be a scheme pipeline.

7) Clause 105 does not apply in relation to the Goldfields Gas Pipeline to the extent that it was, immediately before commencement day, a covered pipeline.
8) Nothing in this clause affects whether a pipeline or part of a pipeline is a designated pipeline.

Under Option 2, WA will adopt new Schedule 6, Rule 26 of the National Gas Rules but, once the Gas Pipelines Package commences, submit a rule change request to the AEMC to address some uncertainty about the future application of Rule 26. Further information on WA's proposed approach to Rule 26 is provided below in Box 3.

Key conditions for full regulation of the GGP under Option 2

Option 2 allows for the non-scheme portion of the GGP to become a scheme pipeline and subject to full regulation via a form of regulation review. Under this process:

- The ERA would undertake a form of regulation review:
  - after receiving an application from any person and concluding that the application is not misconceived or lacking in substance or related to a pipeline about which the ERA has considered a scheme pipeline determination application or proposal in the previous 12 months; or
  - if it decides to commence an ERA-initiated review.[52]
- The ERA must then apply the statutory 'form of regulation test', which requires the ERA to consider the effect of regulating the pipeline as a scheme pipeline on the:
  - promotion of access to pipeline services;
  - costs likely to be incurred by an efficient service provider, efficient users and efficient prospective users; and
  - likely costs of end users.
- The ERA must also have regard to the NGO and relevant form of regulation factors, such as the presence and extent of barriers to entry and the countervailing market power of users or prospective users.[53]
- If the ERA decides to make a scheme pipeline determination, the non-scheme portion of the GGP would become a scheme pipeline and be subject to full regulation.[54]

Option 2 also allows for the service provider to elect for the non-scheme portion of the GGP to be dealt with as a scheme pipeline and subject to the stronger form of regulation.[55] If a scheme pipeline election is made, the ERA can decide the date (between 6 and 12

[52] Gas Pipelines Act, s 52 will insert a new s 92 into the NGL(WA) that enables the ERA to make a scheme pipeline determination. Gas Pipelines Rule, r 13 will substitute a new Part 4 (Regulatory determinations and elections) into the NGR(WA) that sets out the provisions pertaining to scheme pipeline determinations.

[53] Gas Pipelines Act, s 52 will insert new s 112 into the NGL(WA), which sets out the principles governing the making of particular determinations.

[54] Gas Pipelines Act, s 52 will insert a new s 94 into the NGL(WA), which sets out the effect of a scheme pipeline determination. The WA-specific transitional, inserted into the NGL(WA) by the National Gas Access (WA) (Act Amendment) (Gas Pipelines) Regulations, will provide that if a scheme pipeline determination or scheme pipeline election is made in relation to the non-scheme portion of the GGP, it will be taken to be part of the scheme GGP.

[55] Gas Pipelines Act, s 52 will insert a new s 95 into the NGL(WA), which enables a service provider for a non-scheme pipeline to elect for the pipeline to be dealt with as a scheme pipeline.

months after receiving the election) on which the election will take effect. If no decision is made, it will take effect 12 months after the ERA receives the service provider's election.[56]

Schedule 6, Rule 26 of the National Gas Rules

Like Option 1, Option 2 will see WA adopt Schedule 6, Rule 26 of the National Gas Rules. This will ensure that, if a scheme pipeline determination or election is made before the GGP's next access arrangement proposal is submitted, both portions of the GGP will be subject to a single access arrangement.

However, if a scheme pipeline determination or election is not made before the GGP service provider submits its next access arrangement proposal, the effect of Schedule 6, Rule 26 is uncertain.

Therefore, WA intends to submit a rule change request to the AEMC after the Gas Pipelines Package is adopted. The proposed rule would clarify that, regardless of when a scheme pipeline determination or election occurs, once the non-scheme portion becomes part of the scheme pipeline, the GGP service provider must include all capacity expansions in its next access arrangement proposal (see Box 3).

In addition to engaging in DEED's consultation process (see stakeholder feedback questions below), stakeholders will be able to provide their views on the proposed rule as part of the AEMC's formal rule change process.[57]

Box 3 – Nature of proposed AEMC rule change requests to support Option 2

Under both Options 1 and 2, WA will adopt Schedule 6, Rule 26 of the National Gas Rules, which is intended to ensure that, if the GGP becomes a single scheme pipeline, all its capacity is brought within a single access arrangement to ensure uniform regulatory treatment of a single asset.

However, as noted above, Rule 26 would only operate as intended under Option 2 if a scheme pipeline determination or election for the non-scheme portion of the GGP occurs before the service provider submits its next access arrangement proposal. If this does not occur, the effect of Rule 26 is uncertain, particularly in relation to whether—as intended by the reforms—the non-scheme pipeline's capacity would be required to be included in the same access arrangement as the existing scheme pipeline once the GGP becomes fully regulated.

If, following stakeholder feedback, Option 2 is implemented, WA would need to seek a rule change to Rule 26 through the AEMC. The proposed amendment would clarify that, regardless of the timing of a scheme pipeline determination or election, once the non-scheme portion becomes part of the scheme pipeline, the GGP service provider must include all capacity expansions in its next access arrangement proposal. This would ensure regulatory certainty and support a single, consistent access arrangement for the GGP.

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56 Gas Pipelines Act, s 52 will insert a new s 96 into the NGL(WA), setting out the effect of a scheme pipeline election.

57 See AEMC, *Making a rule change request*, AEMC website, n.d.

Implications of Option 2

If implemented in WA, Option 2 may lead to the following outcomes:

- Status quo maintained: The GGP will continue to operate under split regulation, with the scheme portion subject to full regulation and the non-scheme portion subject to the information and transparency requirements of non-scheme pipelines.
- Conditional pathway to full regulation: The non-scheme portion will only be recategorised if the ERA determines that excessive market power is being exercised and that full regulation is warranted (or if the service provider elects to have the non-scheme portion become a scheme pipeline).
- Less control of any market power: Having dual regulation may allow greater opportunity for monopoly pricing on the non-scheme portion of the pipeline, resulting in inefficient outcomes that are inconsistent with National Gas Objective for all customers including the scheme portion of the pipeline (see Box 4). Higher transportation tariffs (than would otherwise be) would be expected to dampen downstream investment. However, APA will benefit from differential pricing between the scheme and non-scheme parts of the GGP.
- Lack of uniformity in access dispute resolution: The GGP will be subject to two different arbitration regimes—the WA Arbitrator's resolution process for scheme pipeline disputes and the arbitration of non-scheme pipeline disputes by a pool arbitrator.
- Administrative burden: If the ERA chooses to conduct a form of regulation review of the GGP, the process is likely to be resource-intensive and time-consuming for the ERA, APA and any other stakeholders participating in the review. Maintaining the split regulation also creates a higher administrative burden.
- Higher regulatory costs: The arrangements used to recover the costs of the ERA's functions under the NGL(WA) means the higher costs associated with maintaining the GGP's split regulation and any form of regulation review will be borne, in part, through increased standing charges. Standing charges for scheme pipelines are payable each quarter, cover the ERA's 'core function costs', and can be passed onto users.[58]
- Misalignment with national policy: WA would diverge from the national approach which, if the pipeline is not recategorised, may potentially weaken the effectiveness of reforms aimed at curbing market power and improving transparency.

[58] For a more detailed explanation of the cost recovery framework, see the *Proposed changes to the Gas Access Funding Regulations and Local Provisions Regulations: Consultation Paper* available at https://www.wa.gov.au/government/document-collections/consultation-proposed-changes-the-gas-access-funding-regulations-and-local-provisions-regulations.

Box 4 – Goldfields Gas Pipeline tariffs

Currently, reference and non-reference tariffs for the Goldfields Gas Pipeline (GGP) are:

Reference tariff	Non-reference tariff
$0.172601/GJ toll charge + $0.001211/GJ capacity (per km) + $0.000316 throughput (per km)	$0.4922/GJ toll charge + $0.0038/GJ capacity (per km)

Sources: APA, Goldfields Gas Pipeline, APA website, n.d.; APA, Tariffs and terms, APA website, viewed 22 October 2026.
Note: The reference tariffs are for firm reference services as set out in the Goldfields Gas Pipeline access arrangement.

As can be seen above, non-reference tariffs are significantly higher than reference tariffs—not withstanding that most fixed costs appear to be covered by reference tariffs.

This seems to be reflected in the financial information disclosed by APA in accordance with its Part 23 obligations,[59] which shows that APA has recovered all its capital on the uncovered portion of the GGP by 2019. From 2019 to 2025, using the Recovered Capital Method for asset valuation, the uncovered assets have generated a total of $315 million in return on capital despite have an asset value of zero.[60]

This would appear to suggest that the issues identified as a part of the AEMC's 2018 review into the scope of economic regulation applied to covered pipelines and the 2019 C-RIS for options to improve gas pipeline regulation may persist (see also Box 2).

The cost–benefit analysis underpinning the Gas Pipelines Package found that stronger and more consistent regulation delivers net benefits, including lower transportation tariffs than would otherwise occur, supporting lower gas prices for downstream users and end consumers and productivity improvements.[61]

Questions for stakeholders on GGP options

5. Which of the two options identified in Section 4 (Option 1: adopt the existing transitional provision or Option 2: introduce a new WA-specific transitional) do you consider more appropriate and why?
   a. What are the potential impacts of each option on third party access, investment certainty, and market efficiency in WA?
   b. Do you foresee any operational or regulatory challenges arising from the implementation of Option 1 or Option 2?

59 See Tab 5: Weighted average price in the GGP Part 23 Financial Reporting spreadsheets on APA, Goldfields Gas Pipeline, APA website, n.d.

60 See Tab 4: Recovered capital (row 30 and 33) in the GGP Part 23 Financial Reporting spreadsheets on APA, Goldfields Gas Pipeline, APA website, n.d.

61 Energy Senior Officials, *Consultation Paper: Improving gas pipeline regulation, Proposed legal package to give effect to the Decision Regulation Impact Statement*, p 1.

5. Other consequential amendments

5.1. WA funding regulations

The adoption of the Gas Pipelines Package in WA will require consequential amendments to the Economic Regulation Authority (National Gas Access Funding) Regulations 2009 (WA) and the National Gas Access (WA) (Local Provisions) Regulations 2009 (WA).

These regulatory instruments underpin the cost recovery mechanisms for the ERA and the WA Arbitrator, both of which play key roles in administering and enforcing the economic regulatory framework for gas pipelines under the WA Act. As the Gas Pipelines Package expands the ERA's functions and changes pipeline categorisations, amendments to these regulations are necessary to ensure continued alignment with the new framework and to maintain effective cost recovery.

DEED has published a separate consultation paper outlining the proposed options for updating the cost recovery methodologies, which is available on the DEED website at https://www.wa.gov.au/government/document-collections/consultation-proposed-changes-the-gas-access-funding-regulations-and-local-provisions-regulations.

Appendices

Appendix 1: Components in the Gas Pipelines Package that WA will not adopt

The *Statutes Amendment (National Energy Laws) (Gas Pipelines) Act 2022* (Gas Pipelines Act) consists of five Parts. Western Australia (WA) will not be declaring as relevant any of the sections in:

- Part 1, which contains the 'Preliminary' sections of the Gas Pipelines Act; or
- Parts 2–4, which amend the National Electricity Law, National Energy Retail Law and the *National Gas (South Australia) Act 2008* respectively. As WA is not party to any of these laws, it cannot adopt these amendments.

Part 5 of the Gas Pipelines Act amends the National Gas Law (NGL). While WA will adopt most of Part 5, certain amendments will not be declared relevant because they affect components of the NGL—such as definitions, provisions or titles—that do not exist in the NGL(WA). These components are not in the NGL(WA) because WA did not declare them as relevant when they were introduced into the NGL through earlier national reforms.

Table 2 lists the sections that WA will not declare as relevant.

Table 2 – Sections in Part 5 of the Gas Pipelines Act that WA will not adopt

Gas Pipelines Act section	National Gas Law component that it amends
12(17)	Section 2(1), definition of *distributor*
12(39)	Section 2(1), definition of *transportation facility user*
13(1)	Section 3, table, entry for item 2DC
13(2)	Section 3, table, entry for item 2E
18	Section 8A
49	Section 91BH
50	Section 91KA
51	Section 91LA
81	Section 294G
90 to the extent that it inserts clause 129*	Schedule 3, insertion of clause 129 (Provision for Goldfields Gas Pipeline)

** The adoption (or not) of s. 90 to the extent it inserts Schedule 3, clause 129 will depend on the public consultation process.*

Similarly, while WA will amend its National Gas Access (WA) (Part 3) Regulations 2009 (Part 3 Regulations) to reflect the amendments made to the national framework by the National Gas (South Australia) (Gas Pipelines) Amendment Regulations 2023 (Gas Pipelines Regulations), regulations equivalent to those listed in Table 3 will not be implemented in WA because they amend components that do not exist in the Part 3

Regulations. These components are not in the Part 3 Regulations because they relate to earlier national reforms that WA has not declared as relevant.

Table 3 – Gas Pipelines Regulations that WA will not implement

Gas Pipelines Regulations regulation	National Gas (South Australia) Regulations component that it amends
4	Regulation 7AA
6(1)	Regulation 9, heading
8	Regulation 14A
11(3) and (4)	Schedule 4, specific conduct provision entries

Appendix 2: Modifications to the NGL(WA)

Section 7B of the *National Gas Access (WA) Act 2009* empowers the Western Australian Governor to make regulations amending Western Australia's version of the National Gas Law (NGL(WA)) 'as is necessary or expedient to deal with the consequences' of adopting or not adopting National Gas Law (NGL) amendments made by South Australian (SA) amending Acts.

Table 4 lists the modifications that Western Australia (WA) will make using the National Gas Access (WA) (Act Amendment) (Gas Pipelines) Regulations and the rationale for each modification.

Table 4 – Modifications made by the National Gas Access (WA) (Act Amendment) (Gas Pipelines) Regulations

Modification	Explanation	Associated regulation in the National Gas Access (WA) (Act Amendment) (Gas Pipelines) Regulations
Removing the terms 'liquefied natural gas' or 'LNG'	There are no references to LNG or liquefied natural gas in the NGL(WA) because these terms relate to: • the Victorian gas market, specifically the Declared Wholesale Gas Market (DWGM), to which WA is not connected; or • LNG facilities' information reporting obligations (i.e. for the Gas Bulletin Board or Gas Statement of Opportunities) in East Coast markets, which do not apply in WA; and • the price reporting function of the Australian Energy Regulator (AER), which WA has never adopted. Consequently, WA will modify the: • new definition of 'natural gas industry' in section 2 of the NGL(WA) to delete '(including liquefied natural gas)' from subparagraph (a)(ii);[62] • new definition of 'natural gas industry facility' in section 2 of the NGL(WA) to delete paragraph (d) (which refers to an LNG facility);[63] and	4

[62] *National Gas (South Australia) (Market Transparency) Amendment Act 2022* (SA) (Market Transparency Act), s 4(7) will insert the new defined term 'natural gas industry' into Western Australia's version of the National Gas Law (NGL(WA)), s 2 (see Table 7).

[63] Market Transparency Act, s 4(7) will insert the new defined term 'natural gas industry facility' into NGL(WA), s 2 (see Table 7).

	• new definition of 'storage facility' in section 2 of the NGL(WA) to delete '(including liquefied natural gas)'.[64]	
Removing the term 'AEMO' from the NGL(WA)	The Australian Energy Market Operator (AEMO) has no function under the NGL(WA). As a result, WA will modify: • section 8 of the NGL(WA) to delete the use of 'AEMO' and replace it with 'gas market operator';[65] • section 268(2) of the NGL(WA) to delete each occurrence of 'or AEMO';[66] • section 332(3) of the NGL(WA) to delete 'AEMO' from the definition of 'regulatory scheme decision maker' and replace it with 'the Bulletin Board operator.';[67] • Schedule 1 of the NGL(WA) to delete the heading 'AEMO' and associated items 57 to 77; and • Schedule 1, items 79, 80, 82, 89 and 125 of the NGL(WA) to delete each occurrence of 'AEMO' and insert 'the Bulletin Board operator'.[68]	5, 10, 12, 13
Replacing 'order or a price information order,' with 'order,' in section 53(3)	Price information orders relate to the AER's gas price reporting function, which was introduced to the NGL by the *National Gas (South Australia) (Market Transparency) Amendment Act 2022* (SA). WA never adopted these provisions and therefore has never adopted the term 'price information order'. As a result, WA will modify section 53(3) of the NGL(WA) by removing the reference to price information orders.	6
Amending the definition of 'initial National Gas Rules' to include the National Gas Amendment (Gas Pipelines) Rule 2023 (Gas Pipelines Rule)	As explained in Section 1.3, WA is adopting the Gas Pipelines Rule, which will amend Western Australia's National Gas Rules (the NGR(WA)) to give effect to the Gas Pipelines Package reforms. The Gas Pipelines Rule was made by the South Australian (SA) Minister for Energy and commenced in other jurisdictions on 16 March 2023.	7

64 Market Transparency Act, s 4(14) will insert the new defined term 'storage facility' into NGL(WA), s 2 (see Table 7).

65 *National Gas (South Australia) (National Gas Law—Australian Energy Market Operator) Amendment Act 2009* (SA) (AEMO Act), s 9 will amend NGL(WA), s 8(2). This amendment includes the term 'AEMO' (see Table 5).

66 Section 268(2) of the NGL(WA) was amended as part of Western Australia's 2025 adoption of the Omnibus Package but at the time was mistakenly not modified to remove the term 'AEMO'.

67 *Statutes Amendment (National Energy Laws) (Gas Pipelines) Act 2022* (SA) (Gas Pipelines Act), s 85 will delete the definition of 'regulatory scheme decision maker' currently in NGL(WA), s 332(3) and substitute a new definition of 'regulatory scheme decision maker'. This new definition lists AEMO as a regulatory decision maker in paragraph (c).

68 Gas Pipelines Act, s 88 deletes the existing Schedule 1 (Subject matter for the National Gas Rules) from the NGL(WA) and inserts a new Schedule 1.

	WA adopts rules made by the SA Minister for Energy by modifying the definition of 'initial National Gas Rules' in the NGL(WA) so that it includes the Minister-made rules. Consequently, WA will modify the definition of 'initial National Gas rules' to include most of the Gas Pipelines Rule. Certain rules are excluded from this modification, which means they will not be adopted in WA. The reasons for these exclusions are set out below. ***Rule 6(1) to the extent that it inserts paragraph (b) of the definition of "decision maker"*** Rule 6(1) inserts a new definition of 'decision maker' into rule 7 the NGR(WA). This new definition refers to 'the AEMO' in paragraph (b). As AEMO has no function under the NGL(WA), paragraph (b) of the new 'decision maker' definition is therefore excluded from WA's adoption of the Gas Pipelines Rule. ***Rule 13 to the extent that it inserts rule 29F(3)(c)*** Rule 13 inserts a new Part 4 (Regulatory determinations and elections) into the NGR(WA), including new rule 29F. Rule 29F(3)(c) refers to AEMO and, as AEMO has no function under the NGL(WA), this subrule is excluded from WA's adoption of the Gas Pipelines Rule. ***Rules 76 and 77*** Rules 76 and 77 amend Part 18 (Natural Gas Services Bulletin Board). WA has never activated the Natural Gas Services Bulletin Board provisions in the NGL(WA). Instead, WA has established a standalone regime under its *Gas Services Information Act 2012*, which amongst other things provides for the WA Gas Bulletin Board. As a result, WA has decided to effectively 'freeze' Chapter 7 (The Natural Gas Services Bulletin Board) of the NGL(WA) and Part 18 of the NGR(WA). This approach means WA does not adopt any SA amendments that change Chapter 7 sections or any SA Minister-made rules that amend Part 18.	
Replacing 'Law, the National Electricity Law or the National Energy Retail Law.' with 'Law.' in section 64F(5)	Section 45 of the *Statutes Amendment (National Energy Laws) (Gas Pipelines) Act 2022* (SA) (Gas Pipelines Act) inserts a new Division 5A (Compliance and performance) into Chapter 2, Part 1 of the NGL(WA). New Division 5A includes section 64F, which concerns 'AER Compliance Procedures and Guidelines'.	8

	New section 64F requires the Economic Regulation Authority (ERA) to make Compliance Procedures and Guidelines in accordance with the National Gas Rules.[69] Section 64F(5) states that these Compliance Procedures and Guidelines may form part of similar guidelines under the National Electricity Law (NEL) or National Energy Retail Law (NERL). The ERA is a WA entity and, given that WA is not party to the NEL or NERL, would never combine the Compliance Procedures and Guidelines with similar guidelines under those laws. As a result, WA will modify section 64F(5) to delete the phrase 'Law, the National Electricity Law or the National Energy Retail Law.' and insert 'Law.' in its place.	
Replacing '331' with '330' in section 83(4)(b)	Section 84 of the Gas Pipelines Act will delete Chapter 10, Part 2, Division 2 of the NGL(WA). Division 2 currently includes section 331, which concerns the 'Confidentiality of information received for scheme procedure purpose and for making of scheme decision'. In place of the deleted Chapter 10, Part 2, Division 2, section 84 of the Gas Pipelines Act substitutes a new Division 2 (Disclosure of confidential information held by AEMC) that consists of a single section: section 330. This section, which relates to the 'Confidentiality of information', is functionally similar to the current section 331. As section 83(4)(b) of the NGL(WA) refers to section 331, the reference needs to be modified to reflect the Gas Pipelines Act's substitution of Chapter 10, Part 2, Division 2.	9
Replacing 'sections 83C and 135,' with 'section 135,' in section 115	Section 52 of the Gas Pipelines Act deletes Chapter 3 of the NGL(WA) and substitutes a new Chapter 3. New Chapter 3 includes new section 115, and new section 115 includes a reference to section 83C. WA has never adopted section 83C because it relates to the Capacity Trading and Auctions Package (see Appendix 3), which sought to develop a more liquid secondary market for transportation capacity in the East Coast gas market. Consequently, WA will modify section 115 to delete the phrase 'sections 83C and 135,' and insert 'section 135,' in its place.	9
Replacing 'Subject to section 91BF, a' with 'A' in section 136	Section 61 of the Gas Pipelines Act deletes section 136 of the NGL(WA) and substitutes a new section 136. New section 136 refers to section 91BF.	9

[69] In the NGL(WA), most references to the AER should be read as a reference to the ERA.

	WA has never adopted section 91BF because it relates to AEMO and the declared transmission system, neither of which are relevant to the NGL(WA). Consequently, WA will modify section 136 to delete the phrase 'Subject to section 91BF, a' and insert 'A' in its place.	
Replacing 'pipeline, other than a pipeline within a declared transmission system.' with 'pipeline.' in section 136A(1)	Section 61 of the Gas Pipelines Act also inserts new section 136A into the NGL(WA). New section 136A(1) refers to 'a declared transmission pipeline'. WA has never adopted the defined term 'declared transmission system' in the NGL(WA). As a result, WA will modify section 136A(1) to delete the phrase 'pipeline, other than a pipeline within a declared transmission system.' and insert 'pipeline.' in its place.	9
Inserting a new section 152A to deal with the deletion of section 181A	Existing section 181A of the NGL(WA) deals with the separation of power between the ERA and the WA Energy Disputes Arbitrator (WA Arbitrator) that exists under the NGL(WA). For example, it ensures that the ERA can provide to the WA Arbitrator information that is necessary to determine an access dispute. There are no equivalent provisions in the NGL because, under that framework, the AER is the 'dispute resolution body' responsible for considering scheme pipeline access disputes. Unlike the WA Arbitrator, the AER already has access to information about scheme pipelines that may be relevant to the dispute, which it would have received as part of the access arrangement process. Section 75 of the Gas Pipelines Act will delete Chapters 5 to 6A of the NGL(WA) and, as existing section 181A sits in Chapter 6 of the NGL(WA), this deletion will include section 181A. As a result, WA will modify the NGL(WA) to reinsert a section—new section 152A—that is equivalent to deleted section 181A.	9
Deleting definition of 'South Australian Minister' from section 294FC	Section 294FC was inserted into the NGL(WA) with WA's adoption of the Emissions Reduction Objectives Package, empowering the SA Minister to make initial Rules relating to the National Gas Objective.[70] The section did not include a definition of 'South Australian Minister' because the term was already defined in the NGL. The NGL(WA) did not include the defined term 'South Australian Minister', so WA modified section 294FC(8) to insert a definition of 'South Australian Minister'.[71]	11

[70] The Emissions Reduction Objectives Package includes the *Statutes Amendment (National Energy Laws) (Emissions Reduction Objectives) Act 2023* (SA) (Emissions Reduction Objectives Act). WA adopted the Emissions Reduction Objectives Act, Pt 4 (Amendment of *National Gas Law*) using the National Gas Access (WA) Adoption of Amendments Order (No. 2) 2024 and National Gas Access (WA) (Act Amendment) Regulations (No. 2) 2024.

[71] This was achieved through National Gas Access (WA) (Act Amendment) Regulations (No. 2) 2024, reg 5.

	Once adopted in WA, section 12(36) of the Gas Pipelines Act will insert a definition of 'South Australian Minister' into section 2 of the NGL(WA). Consequently, the definition that currently sits in section 294FC(8) is no longer required.	
Deleting or modifying parts of Schedule 1 (Subject matter for the National Gas Rules)	Section 88 of the Gas Pipelines Act will delete existing Schedule 1 of the NGL(WA) and replace it with a new Schedule 1. Although the new Schedule 1 also deals with subject matter for the National Gas Rules, it includes subjects that are not relevant to WA because of the State's non-adoption of some earlier NGL reform packages. Consequently, WA will modify new Schedule 1 to delete the following headings that are not relevant to the NGL(WA): • 'Sale and supply of gas to customers'; • 'AER gas price reporting functions'; • 'Facilitating capacity trades and the capacity auction'; • 'Capacity auctions'; and • 'Standard market timetable'. Related items 43, 44, 56, 91 to 116, 127 and 130 will also be deleted from Schedule 1. In item 129, the phrase 'section 20 of the *National Gas (South Australia) Act 2008* of South Australia.' will be deleted and replaced by 'the *National Gas Access (WA) Act 2009* section 30.' Item 129 is the same as item 82 in current Schedule 1 of the NGL(WA). As item 82 contains a modification, WA will used the National Gas Access (WA) (Act Amendment) (Gas Pipelines) Regulations to replicate the modification in item 129.	13
Deleting Schedule 2, clause 47(2)	Section 89(7) of the Gas Pipelines Act will delete Schedule 2, clause 36 of NGL(WA). Clause 36 relates to evidentiary certificates issued by the National Competition Council (NCC). As Schedule 2, clause 47(2) of the NGL(WA) refers to clause 36, the reference needs to be deleted.	14
Modifying Schedule 3 to ensure that provisions/Parts commence when clause 3 of the National Gas Access (WA) Adoption of Amendments (Gas Pipelines) Order comes into operation	Section 90 of the Gas Pipelines Act will insert new clauses into Schedule 3 of the NGL(WA), including: • a new clause 1A, which defines the term 'former section 2' to mean 'section 2 of the Law as in force immediately before the commencement of Part 19.'; and • a new clause 104, which defines 'commencement day' to mean 'the day on which this Part comes into operation;'.	15

	Because of WA's adoption process, it is WA's practice, where necessary, to tie the commencement of provisions or Parts of the NGL(WA) to when the WA Ministerial Order comes into operation. Consequently, WA will modify the definition of 'former section 2' in new clause 1A(2) and the definition of 'commencement day' in new clause 104 so they are linked to the date that National Gas Access (WA) Adoption of Amendments (Gas Pipelines) Order clause 7 comes into operation.	
Inserting a WA-specific transitional provision for the Goldfields Gas Pipeline (Schedule 3, clause 129)	If, following public consultation, the Goldfields Gas Pipeline (GGP) is treated in accordance with Option 2 (as set out in Section 4.3), WA will modify the NGL(WA) to insert the WA-specific transitional provision set out in the Option 2 box in Section 4.3. This will enable the GGP to retain its dual status (scheme and non-scheme) while ensuring that both GGP portions will be subject to the new form of regulation framework introduced by the Gas Pipelines Package. If a scheme pipeline determination is made in relation to the non-scheme portion or the GGP service provider elects to have the non-scheme portion become a scheme pipeline, the WA-specific transitional will also ensure that both portions become part of the same pipeline for regulatory purposes.	15

Appendix 3: Adoption of earlier SA amending Acts

As explained in Section 1.5, the selective adoption of National Gas Law (NGL) reforms by Western Australia (WA) has led to differences between WA's version of the National Gas Law (NGL(WA)) and the NGL, making it difficult to implement new changes that rely on earlier amendments not adopted in WA. To ensure the Gas Pipelines Package works effectively, WA must incorporate certain amendments—such as definitions—from earlier South Australia (SA) amending Acts by using the National Gas Access (WA) Adoption of Amendments (Gas Pipelines) Order to declare them relevant. These inclusions are necessary to avoid gaps or drafting issues but do not introduce the substantive policies of the associated reforms.

This appendix sets out the background of each SA amending act from which WA will be adopting amendments, lists the amendments that will be adopted, and provides the rationale for each adoption.

National Gas (South Australia) (National Gas Law—Australian Energy Market Operator) Amendment Act 2009

The Australian Energy Market Operator (AEMO) Package consists of the *National Gas (South Australia) (National Gas Law—Australian Energy Market Operator) Amendment Act 2009* (SA) (AEMO Act), National Gas (South Australia) (Australian Energy Market Operator) Variation Regulations 2009 (SA) and National Gas (Australian Energy Market Operator) Amendment Rules 2009.

The AEMO Package established AEMO, an industry-funded national energy market operator for both electricity and gas, to strengthen the national character of energy market governance. AEMO was empowered to perform a range of new functions, including the publication of the Gas Statement of Opportunities (GSOO) and operation of retail gas markets in eastern Australia.

WA only adopted two provisions of the AEMO Act that amended the definition of 'designated pipeline'.[72] The bulk of the AEMO Act was not adopted, in part because WA was considering implementing its own GSOO and Gas Bulletin Board operated by an independent, WA-specific entity at the time the AEMO Act was passed. The WA GSOO and WA Gas Bulletin Board were ultimately established under the *Gas Services Information Act 2012* (WA).

Table 5 lists the specific provisions WA will adopt.

[72] *National Gas (South Australia) (National Gas Law—Australian Energy Market Operator) Amendment Act 2009* (SA), ss 6(1) and (2) were declared relevant to WA by the National Gas Access (WA) Adoption of Amendments Order 2009.

Table 5 – National Gas (South Australia) (National Gas Law—Australian Energy Market Operator) Amendment Act 2009 amendments that WA will adopt

Section(s)	Why it is being adopted
6(2) to the extent that it inserts the definition of *application Act*	The term 'application Act' is used in the definition of the new term 'designated pipeline', which will be inserted into section 2 of the NGL(WA) with the adoption of section 12(13) of the *Statutes Amendment (National Energy Laws) (Gas Pipelines) Act 2022* (SA) (Gas Pipelines Act). The NGL(WA) does not currently include a definition of 'application Act'. By inserting the definition of 'application Act' into section 2 of the NGL(WA), section 6(2) of the AEMO Act ensures that the NGL(WA) defines the term.
9	Section 9 of the AEMO Act deletes the existing section 8(2) from the NGL(WA) and substitutes a new section 8(2). New section 8(2) is required to enable the amendments made by section 16(2) of the Gas Pipelines Act to work. Section 16(2) of the Gas Pipelines Act deletes 'or scheme pipeline, or any part of a pipeline or scheme pipeline' from section 8(2) and substitutes 'or any part of a pipeline'. Without adopting section 9 of the AEMO Act, the NGL(WA) will not have the phrase 'or scheme pipeline, or any part of a pipeline or scheme pipeline' on which section 16(2) of the Gas Pipelines Act builds. As new section 8(2) includes the term 'AEMO' (short for the Australian Energy Market Operator, which has no function under the NGL(WA)), WA will modify section 8(2) to delete the term 'AEMO' and substitute the term 'gas market operator' (see Appendix 2).
12	Section 12 of the AEMO Act deletes the phrase 'specify the information specified in the instrument' from section 55 of the NGL(WA) and substitutes 'require that the information specified in the instrument'. Along with other amendments from the *National Gas (South Australia) (Market Transparency) Amendment Act 2022* (SA) that WA will adopt (see Table 7), this new phrase will ensure the NGL(WA) is brought in line with the NGL.
48(2)	Section 48(2) of the AEMO Act inserts a new clause 3 into Schedule 2 of the NGL(WA). Schedule 2 contains miscellaneous provisions relating to interpretation. New clause 3 clarifies that differences in wording between the NGL(WA) or Western Australia's National Gas Rules that arise from changes in legislative drafting practice should not be taken as indicating a difference of meaning.

National Gas (South Australia) (Capacity Trading and Auctions) Amendment Act 2018

The Capacity Trading and Auctions Package consists of the *National Gas (South Australia) (Capacity Trading and Auctions) Amendment Act 2018* (SA) (Capacity Trading and Auctions Act), National Gas (South Australia) (Capacity Trading and Auctions) Variation Regulations 2018 (SA) and National Gas (Capacity Trading and Auctions) Amendment Rule 2018.

The Capacity Trading and Auctions Package sought to encourage a more liquid secondary capacity market through efficient improvements to gas pipeline capacity allocation and use. WA did not to extend the reforms to the State.

Table 6 lists the specific amendments WA will adopt.

Table 6 – National Gas (South Australia) (Capacity Trading and Auctions) Amendment Act 2018 amendments that WA will adopt

Section(s)	Why it is being adopted
4(2) to the extent that it inserts the definition of *compression service facility*	The term 'compression service facility' is used in new sections 83A(1)(a), (b), (c) and (e) and 'compression service facilities' in the headings to new sections 83A and 83AA.[73] However, the NGL(WA) does not currently include a definition of 'compression service facility'. By inserting the definition of 'compression service facility' into section 2 of the NGL(WA), section 4(2) of the Capacity Trading and Auctions Act ensures that the NGL(WA) defines the term.
4(2) to the extent that it inserts the definition of *designated compression service facility*	The term 'designated compression service facility' is used in the definition of the new term 'compression service facility' (see the row above). However, the NGL(WA) does not currently include a definition of 'designated compression service facility'. By inserting the definition of 'designated compression service facility' into section 2 of the NGL(WA), section 4(2) of the Capacity Trading and Auctions Act ensures that the NGL(WA) defines the term. Note: While the National Gas (South Australia) Regulations (SA) (SA Regulations), reg 5A and Schedule 2A (Designated compression service facilities) also relate to designated compression service facilities, WA is not seeking to amend its National Gas Access (WA) (Part 3) Regulations 2009 to reflect the SA Regulations.

National Gas (South Australia) (Market Transparency) Amendment Act 2022

The Market Transparency Package consists of the *National Gas (South Australia) (Market Transparency) Amendment Act 2022* (SA) (Market Transparency Act), National Gas (South Australia) (Market Transparency) Amendment Regulations 2022 (SA) and National Gas Amendment (Market Transparency) Rule 2022.

The Market Transparency Package sought to improve gas market transparency by enhancing the ability of AEMO to monitor and manage gas supply risks via the East Coast GSOO and Natural Gas Services Bulletin Board.

WA did not adopt the Market Transparency Package, in part because it has its own version of these transparency mechanisms, known as the WA GSOO and WA Gas Bulletin Board, established under the *Gas Services Information Act 2012*. AEMO has no function under the NGL(WA).

Table 7 lists the provisions WA will adopt.

[73] *Statutes Amendment (National Energy Laws) (Gas Pipelines) Act 2022* (Gas Pipelines Act), s 46 will delete the existing NGL(WA), s 83A and substitute new ss 83A and 83AA.

Table 7 – National Gas (South Australia) (Market Transparency) Amendment Act 2022 amendments that WA will adopt

Section(s)	Why it is being adopted
4(3)	The term 'compression service provider' is used in new section 83A(1)(b), which will be inserted into the NGL(WA) by section 46 of the Gas Pipelines Act. However, the NGL(WA) does not currently include a definition of 'compression service provider'. By inserting the definition of 'compression service provider' into section 2 of the NGL(WA), section 4(3) of the Market Transparency Act ensures that the NGL(WA) defines the term.
4(7)	Section 4(7) of the Market Transparency Act will insert the new defined terms 'natural gas industry' and 'natural gas industry facility' into the NGL(WA). ***Natural gas industry*** The term 'natural gas industry' is used in new Schedule 1 (Subject matter for the National Gas Rules), item 78.[74] However, the NGL(WA) does not currently include a definition of 'natural gas industry'. By inserting the definition of 'natural gas industry' into section 2 of the NGL(WA), section 4(7) of the Market Transparency Act ensures that the NGL(WA) defines the term. ***Natural gas industry facility*** The term 'natural gas industry facilities' is used in the definition of the new term 'natural gas industry'. However, the NGL(WA) does not currently include a definition of 'natural gas industry facility'. By inserting the definition of 'natural gas industry facility' into section 2 of the NGL(WA), section 4(7) of the Market Transparency Act ensures that the NGL(WA) defines the term.
4(9)	Section 4(9) of the Market Transparency Act will insert the new defined terms 'petroleum tenement' and 'petroleum' into the NGL(WA). ***Petroleum tenements*** The term 'petroleum tenements' is used in the definition of the new term 'natural gas industry' (see row above). However, the NGL(WA) does not currently include a definition of 'petroleum tenement'. By inserting the definition of 'petroleum tenement' into section 2 of the NGL(WA), section 4(9) of the Market Transparency Act ensures that the NGL(WA) defines the term. ***Petroleum*** The term 'petroleum' is used in the definition of the new term 'petroleum tenements'. However, the NGL(WA) does not currently include a definition of 'petroleum'. By inserting the definition of 'petroleum' into section 2 of the NGL(WA), section 4(9) of the Market Transparency Act ensures that the NGL(WA) defines the term.
4(14)	Section 4(14) of the Market Transparency Act will insert the new defined terms 'storage facility' and 'storage provider' into the NGL(WA). ***Storage facility*** The term 'storage facility' is used in new sections 83A(1)(a), (b), (c) and (e) and the definition of the new term 'natural gas industry facility' (see above). 'Storage facilities' is used in the headings to new sections 83A and 83AA. However, the NGL(WA) does not currently include a definition of 'storage facility'. By inserting the definition of 'storage facility' into section 2 of the NGL(WA), section 4(14) of the Market Transparency Act ensures that the NGL(WA) defines the term.

[74] Gas Pipelines Act, s 88 will delete the existing Schedule 1 from the NGL(WA) and substitute a new Schedule 1.

	Storage provider The term 'storage provider' is used in new section 83A(1)(b) and the existing section 223(1)(f).[75] While the NGL(WA) does currently have a definition of 'storage provider', it differs from the NGL definition. By deleting the existing definition of 'storage provider' and substituting the new definition, section 4(14) of the Market Transparency Act ensures that the NGL(WA) applies the same definition to sections 83A(1)(b) and 223(1)(f) as the rest of Australia.
4(15)	The term 'user facility' is used in the definition of the new term 'natural gas industry facility' (see above). However, the NGL(WA) does not currently include a definition of 'user facility'. By inserting the definition of 'user facility' into section 2 of the NGL(WA), section 4(15) of the Market Transparency Act ensures that the NGL(WA) defines the term.
5(1) and (2)	Section 5(1) of the Market Transparency Act deletes sections 10(1), (2) and (3) from the NGL(WA) and substitutes new sections 10(1), (2) and (3). Section 5(2) deletes section 10(5) from the NGL(WA) and substitutes a new section 10(5). The effect of the new subsections is that the scope of section 10 of the NGL(WA) is extended from pipeline activities to the activities of natural gas industry facilities. These amendments reflect WA's adoption of the new defined terms 'natural gas industry' and 'natural gas industry facility' (see above), and new sections 83A and 83AA, which introduce new transparency and reporting obligations for stand-alone compression and storage facilities (see Section 3 of consultation paper). Adopting sections 5(1) and (2) of the Market Transparency Act will ensure section 10 of the NGL(WA) is more closely aligned with the NGL.
14(2)	Section 40 of the Gas Pipelines Act amends section 53(2) of the NGL(WA) to delete the phrase 'scheme pipeline'. Although the same phrase appears in section 53(3) of the NGL(WA), the Gas Pipelines Act does not include an amendment to remove the phrase because, elsewhere in Australia, 'scheme pipeline' had already been removed through the adoption of section 14(2) of the Market Transparency Act. Section 14(2) of the Market Transparency Act deletes section 53(3) from the NGL(WA) and substitutes a new section 53(3). Adopting this amendment will ensure that the phrase 'scheme pipeline' is removed from section 53(3) of the NGL(WA) and the NGL(WA) is brought in line with the NGL. Note: New section 53(3) includes the phrase 'price information order'. As WA has not adopted the Australian Energy Regulator's gas price reporting function (to which price information orders relate), WA will modify new section 53(3) of the to remove this reference (see Table 4).
15(1)	Section 41 of the Gas Pipelines Act amends section 54(1)(c) of the NGL(WA) to delete the phrase 'scheme pipeline'. Although the same phrase appears in section 54(b) of the NGL(WA), the Gas Pipelines Act does not include an amendment to remove the phrase because, elsewhere in Australia, 'scheme pipeline' was removed through the adoption of section 15(1) of the Market Transparency Act. Section 15(1) of the Market Transparency Act deletes the phrase 'the scheme pipeline service provider or the related provider' from section 54(b) and substitutes 'the person'. Adopting this amendment will ensure that the phrase 'scheme pipeline' is removed from section 54(b) of the NGL(WA) and the NGL(WA) is brought in line with the NGL.
16(1) and (2)	The Gas Pipelines Act does not remove the phrase 'scheme pipeline' that appears in sections 55(d) and (e)(ii). This is because, elsewhere in Australia, 'scheme pipeline' was removed through the adoption of sections 16(1) and (2) of the Market Transparency Act.

[75] Gas Pipelines Act, s 46 will insert new section 83A into the NGL(WA). Section 223 is a Natural Gas Services Bulletin Board provision and does not apply in WA until the Minister fixes a day by a *Government Gazette* order notice as the day from which they apply.

	Section 16(1) of the Market Transparency Act will delete the phrase 'the scheme pipeline service provider, or of a related provider,' from section 55(d) of the NGL(WA) and substitute 'the person'. Section 16(2) of the Market Transparency Act will delete 'the scheme pipeline service provider or related provider' from section 55(e)(ii) of the NGL(WA) and substitute 'the person'. Adopting these amendments will ensure that the phrase 'scheme pipeline' is removed from section 55 of the NGL(WA) and the NGL(WA) is brought in line with the NGL.
23(1)	Section 23(1) of the Market Transparency Act deletes the phrase 'natural gas services and secondary capacity transactions' from section 74(1)(a)(iii) and substitutes 'the natural gas industry'.[76] The effect of the amended subsection is that the scope of section 74(1)(a)(iii) of the NGL(WA) is extended from natural gas services to the natural gas industry. These amendments reflect WA's adoption of the new defined term, 'natural gas industry' (see above rows), and ensures that section 74(1)(a)(iii) of the NGL(WA) is more closely aligned with NGL.

[76] Section 74(1)(a)(iii) as it currently exists in the NGL(WA) does not include the phrase 'and secondary capacity transactions'. Elsewhere in Australia, this phrase was inserted through the adoption of *National Gas (South Australia) (Capacity Trading and Auctions) Amendment Act 2018* (SA), s 8(1) but WA has never declared this amendment relevant to WA. Consequently, National Gas Access (WA) Adoption of Amendments (Gas Pipelines) Order adjusts the amending form so that when section 23(1) is applied to the NGL(WA), the words 'natural gas services and secondary capacity transactions' are taken to read 'natural gas services'.