

Attachment: Reasons for Declaration - to be published on Bulletin Board

Reasons for Declaration of Ballera to Moomba gas pipeline as a Bulletin Board (BB) Facility

VENCorp, as the Bulletin Board Operator, has served notice to EPIC Energy as the operator of the pipeline from Ballera to Moomba (the QSN Link) that the QSN Link is declared to be a BB facility under Rule 153 of the National Gas Rules effective from 25 February 2009 (the facility declaration date).

Reasons for declaring QSN Link to be a BB facility.

The QSN Link operates as an extension to the South West Queensland Pipeline linking the Queensland gas transmission systems and Queensland gas production regions to South Australia and New South Wales/ACT through connections to the MAP and MSP gas transmissions, respectively, near Moomba. The QSN Link extension enables:

- Provision of additional competitive gas supplies to South Australia, New South Wales and the ACT;
- Provision of alternative gas supplies in the event of a gas supply shortfall in to South Australia, New South Wales and the ACT; and
- Potential for provision of alternative supplies to Queensland in the event of a gas supply shortfall in Queensland (by reverse flow).

The QSN Link is to be treated as extension to SWQP for BB purposes:

For the purposes of the BB the QSN Link will be treated as an extension of the SWQP including delivery points and off-takes. Consistent with this the SWQP demand zone now includes all deliveries from the SWQP (as extended by the QSN Link) including deliveries to the Moomba zone.

Data requirements:

The data requirements now to be provided for the SWQP (as extended by QSN Link) to the BB in respect to the SWQP demand zone (as extended by the QSN Link) are as follows:

- The updated standing capacity (MDQ);
- The reverse capacity (RMDQ) of the SWQP from the Moomba zone to the Ballera zone and to Wallumbilla if and when reverse flows are contemplated;
- The 3 day capacity outlook;
- The 3 day LCA flag outlook; and
- Forecast aggregate deliveries, daily aggregate nominated deliveries and actual aggregate deliveries for each gas day for (i) the SWQP demand zone and separately for (ii) the Moomba zone. (Note: the SWQP includes deliveries to the Moomba zone).

Provision of the above data will provide an adequate understanding of flows and capacity for the pipelines and pipeline legs in the region.

John Savage
Bulletin Board Operator