

GAS SUPPLY (GAS QUALITY SPECIFICATIONS) BILL 2009

Committee

Resumed from 20 October. The Deputy Chairman of Committees (Hon Michael Mischin) in the chair; Hon Peter Collier (Minister for Energy) in charge of the bill.

Clause 9: Pipeline impact agreements — dispute resolution —

Progress was reported after the clause had been partly considered.

Hon PETER COLLIER: I will clarify something that I said yesterday. I stated yesterday that the National Gas Access (WA) Act had been proclaimed on 1 September. In fact, that was incorrect, because the royal assent has not been proclaimed, and it will be proclaimed when the regulations are proclaimed. It is expected that that will be in December. That will not impact on this bill. This bill will be proclaimed after the proclamation of the National Gas Access (WA) Act.

Hon ROBIN CHAPPLE: I thank the minister for that clarification. I want to sort something else out about clause 9. I am reading from my notes made at the end of the debate we had the other day. What sort of contractual arrangements are there when a supplier enters into a pipeline impact agreement? Should the supplier determine at some stage during that contract, if it is a contract, that it does not wish to supply that gas for all sorts of reasons, economic or otherwise?

Hon PETER COLLIER: The supplier has entered into the PIA, so does not get the benefits of providing the gas.

Hon ROBIN CHAPPLE: In that regard, say a proponent, at some stage during the contract to provide gas to a PIA pipeline, has the opportunity of selling the company's gas to a third party and wants to withdraw from its contract, or its agreement to provide gas, where does that leave the PIA pipeline, and what constraints are there on any contractual agreement with gas being supplied to that PIA pipeline?

Hon PETER COLLIER: The PIA still stands—it is a contract—unless they renegotiate.

Hon JOCK FERGUSON: I would like to ask a question about clause 9 and the arbitration process. Is it the intention that the results of the arbitration and the reasons for the decision will be made public; and, if they are, where will they be published?

Hon PETER COLLIER: Yes, they will be made public, and, as I understand it, they will be made public electronically.

Hon JOCK FERGUSON: Just so I understand the process, is it correct that it will be what is termed “shotgun arbitration”, and there will be no right of appeal?

Hon PETER COLLIER: Page 21 of the explanatory memorandum states —

An arbitrator and expert's determinations are intended to be final and binding except in specified, limited circumstances, including fraud and manifest error.

Clause put and passed.

Clause 10 put and passed.

Clause 11: Compensation for adverse effects on certain pipeline users —

Hon PETER COLLIER: I move —

Page 13, lines 4 to 9 — To delete the lines and insert —

- (b) provide for disputes about —
 - (i) the relevant effects on the capacity of a PIA pipeline; or
 - (ii) the effects on users' rights (under pipeline services agreements) resulting from the way in which the relevant effects on the capacity of the pipeline were or were not dealt with in the pipeline impact agreement,

to be resolved by the determination of an expert chosen in accordance with the regulations and for such determinations to be final and binding on the parties to the dispute;

For members' clarification, this is a drafting error, for which I apologise. If members look at clause 9(2)(b), they will see that it refers to the impact on operators, and then if members go to clause 11(2)(b), they will see that,

essentially, those two areas have been cut and pasted, and clause 11(2)(b) actually refers to “users”. This amendment ensures that it is for users, not for operators, which it was for clause 9(2)(b); it was a drafting error.

Amendment put and passed.

Clause, as amended, put and passed.

Clauses 12 to 14 put and passed.

Clause 15: Terms used —

Hon JON FORD: On reflection, it is probably clause 16 that I need to comment on but it does not really matter where it is. This is the part that deals with the possible compensation for the consumer end. As I understand it, if the change in specification results in people having to modify their gas appliances, then the costs of modifying the gas appliances will be covered—is that correct?

Hon Peter Collier: Yes.

Hon JON FORD: Who is paying that compensation?

Hon PETER COLLIER: The producers.

Hon JON FORD: How are consumers notified that the change in specification will affect their appliances?

Hon PETER COLLIER: There will be very broad ranging advertising on this issue. Is the member asking about large consumers?

Hon Jon Ford: No, just —

Hon PETER COLLIER: I think the member is referring to household consumers and we need to deal with that in the next clause.

Clause put and passed.

Clause 16: Regulations may provide for compensation scheme —

Hon JON FORD: Is this the clause that deals with domestic users?

Hon Peter Collier: No, that is clause 21.

Hon JON FORD: I will wait for clause 21.

Hon ROBIN CHAPPLE: Clause 16(3) states —

The costs referred to in subsection (1)(a) are, under the regulations, to be limited to the direct costs incurred by the consumer or operator and may, under the regulations, be offset by the value of any benefit derived from being delivered the gas.

How must that be proven and how would one prove the direct value of the costs incurred?

Hon PETER COLLIER: Initially by negotiation, and if there can be no resolution, then by arbitration.

Hon JON FORD: The issue in my mind is in regard to small-end users. I think the minister’s advice is that clause 21 deals with rectifying domestic consumer appliances but if as a result of the change in specification appliances are damaged and it is covered under that clause—that is, personal appliances like water heaters —

Hon Peter Collier: Their appliances.

Hon JON FORD: Yes. Is that not in this clause?

Hon PETER COLLIER: Clause 16 deals with compensation for large users—that is, above one terajoule. I think the member is talking about the replacement program, which is not compensation.

Hon JON FORD: I am talking about compensation for a domestic user. I will give the minister an example. If there were a hiccup in the supply line that led to an unusually high level of nitrogen, which resulted in somebody’s pet or grandmother dying —

Hon Peter Collier: Is that through the appliance unit?

Hon JON FORD: Yes, so it does not damage the pipeline but it actually causes physical damage in the house—is that covered under this clause?

Sitting suspended from 6.00 to 7.30 pm

Hon JON FORD: Before the adjournment I was asking a question of the minister about compensation for domestic users in the event that they suffered some damage because of something being wrong with the

specification of gas or some other issue. I have had a discussion behind the chair with the minister, so I would just like to hear his response for the record.

Hon PETER COLLIER: I hope I am right here. I apologise if I do not answer Hon Jon Ford's question, but I think I have it right. My understanding of certainly one component of the question is whether or not a particular element of gas was fed into the system or a pipeline that had a negative or deleterious effect on a consumer, whether or not an old lady, as he mentioned. This bill will not allow for substandard gas to enter the pipeline, any more than the Gas Standards Act does now. The standard of gas will not shift. If a retailer supplies gas outside the standard specification, it will obviously be dealt with under the contract but also under section 14 of the Gas Standards Act, which could result in a \$50 000 fine for an individual and a \$250 000 fine for a corporation. That situation is no different from today if a retailer moves outside the actual gas standard. It will remain exactly the same when we change the specification as a result of this bill. We will deal with appliances under a separate clause.

Hon JON FORD: I thank the minister for that. I am not saying whether the liability lies with the producer or the pipeline operator, but if some gas product goes out of specification, will the consumer under this act have the ability to seek compensation or will the consumer need to sue under common law?

Hon PETER COLLIER: I understand where the member is coming from now. So that I get it right in my mind, the member is saying that, for want of a better example, someone's dog may be affected. Is that correct? If I understand fully the question of Hon Jon Ford, he is asking whether the owner of that dog can seek compensation for the loss of that dog.

Hon Jon Ford: Yes.

Hon PETER COLLIER: Yes, and that will be part of his or her contract with, in this instance, Alinta obviously. That is how it will be dealt with in that instance.

Clause put and passed.

Clause 17 put and passed.

Clause 18: Compensation scheme for operators of Part 4 pipelines and operators of gas storage facilities —

Hon ROBIN CHAPPLE: This clause deals with the operators of storage facilities. I note that a gas storage facility is defined as a facility that stores more than 50 terajoules.

Hon Peter Collier: Yes, that is correct.

Hon ROBIN CHAPPLE: Given that the Dampier to Bunbury pipeline stores between 850 and 900 terajoules and is used actively as a storage facility, how will that pipeline be dealt with, given that there are two specific parts of this legislation—one deals with transmission and the pipeline and the other deals with a storage facility?

Hon PETER COLLIER: At page 3 under the definition of "gas storage facility", it provides that those gas storage facilities need to be prescribed, and the Dampier to Bunbury pipeline will not be prescribed as a gas storage facility.

Hon ROBIN CHAPPLE: Can the minister again point me to where on page 3 that is prescribed? I understand it is line 29.

Hon Peter Collier: It is lines 29 to 31.

Hon ROBIN CHAPPLE: That is correct. I cannot see anything in that definition that says that it has to be prescribed.

Hon Peter Collier: It says "prescribed for the purposes of this definition".

Hon ROBIN CHAPPLE: What is to prevent the pipeline or, indeed, any of the loops from being prescribed?

Hon PETER COLLIER: Hon Robin Chapple is quite right, it could be, but the intent is that the Dampier to Bunbury gas pipeline is not going to be prescribed as a storage facility.

Hon ROBIN CHAPPLE: I refer to a number of media releases from the Economic Regulation Authority and/or ministerial statements that talk about the expansion of a storage capacity by the introduction of loops into the Dampier to Bunbury natural gas pipeline.

Hon Peter Collier: Can the member advise which media releases?

Hon ROBIN CHAPPLE: I refer to the Economic Regulation Authority Dampier to Bunbury natural gas pipeline stage 5 expansion.

Hon Peter Collier: The member mentioned some media releases.

Hon ROBIN CHAPPLE: There were others that I looked up on the web—not in the minister's term in office.

Hon PETER COLLIER: I reiterate that the Dampier to Bunbury pipeline will not be used as a storage facility. That has been dealt with under part 2 of this bill

Clause put and passed.

Clauses 19 and 20 put and passed.

Clause 21: Purposes of this Part —

Hon JON FORD: I previously asked a question about how consumers would be notified. Since then I have noticed that the period for the reimbursement is 10 years, which will be the tenth anniversary of the date appointed by the minister, which is when the bill will be reviewed. How does the minister intend to notify consumers? He mentioned earlier there would wide advertising. Would there be individual notifications with consumers' bills, for instance?

Hon PETER COLLIER: It is not the intent that it will be 10 years to the end of the rectification program. The intent is that the rectification program will be completed by 1 January 2012. However, the Director of Energy Safety has the discretion to extend that if it is felt that perhaps all the set appliances have not been identified. The identification of those appliances is a very important component of that. As Hon Jon Ford pointed out, in a number of instances we may be looking at the elderly. There will be a blanket advertising campaign. As well as that, there will be a comprehensive notification campaign in gas bills over time. They will be notified through their gas bills, local media, and newspapers; and there will be photo identification of the items.

Hon JON FORD: The minister said there would be some discretion. I was talking to an expat today—this is a good example—who is a friend of mine. He is currently working in Monaco, the lucky person that he is. How he juggled that job, I do not know. He will then work for a year in Singapore and then a couple of years in Spain. After that, he intends to retire. It sounds as though he has already retired.

The DEPUTY CHAIRMAN (Hon Helen Morton): Order, members! I notice that the minister is having difficulty listening to the question being put to him by Hon Jon Ford because of the discussion that is taking place immediately behind him. I wonder whether the two members concerned would step outside if they wish to continue their conversation.

Hon JON FORD: Would the discretion be extended beyond the period the minister mentioned?

Hon Peter Collier: Yes, beyond 1 January.

Hon JON FORD: Therefore, if my friend returns from his expat work and moves back to Roleystone and discovers his appliances do not work properly, then he could apply to participate in the rectification program accordingly?

Hon PETER COLLIER: Yes. It would be up to the discretion of the Director of Energy Safety, who will monitor the situation. As required, he will deal with situations on an individual basis.

Hon KATE DOUST: In that situation is there a cut-off period for when this rectification program will no longer be available? Hon Jon Ford gave an interesting example of somebody returning to the state many years after this program kicks off. Is there a cut-off date wherein nobody will be able to apply for the program?

Hon PETER COLLIER: I did mention the date; it is 1 January 2012. As I said, there is discretion with that. We are talking about appliances that will be between 30 to 35 years old. Having said that, I do not for a moment diminish responsibility and assume the fact that there will be no appliances to be rectified. Definitely appliances will need to be rectified and that is why there will be comprehensive blanket coverage in applying to participate in the rectification program.

Hon ROBIN CHAPPLE: I refer to the same matter. Gas with a lower calorific value will be allowed into the system by a certain date and it is up to individuals, through the government's advertising campaign and other avenues, to seek to get replacement gas appliances to handle that gas. If, for whatever reason—being away on holiday, not being able to read or whatever—an appliance is used and that results in either a gas leak or an accident, what is the process for compensation for that individual or, indeed, occupational health and safety for that individual, given that for whatever reasons they have failed to listen to the media or read their gas bill?

Hon PETER COLLIER: I thank the member for the question. In essence it will not happen. The broader quality gas will not come on stream for more than likely over a decade. As I mentioned in my summing up of the second reading debate, the Western Australian specification is 37 megajoules per cubic metre. The current stream is around 38 megajoules to 40 megajoules. Even when Macedon comes on stream—it will provide another 200 terajoules—it will not even get close to 37 megajoules. The Australian standard is 35 megajoules

and one would, therefore, assume that the standard identified with this legislation will be around 35 megajoules. It will be at least a decade or even 15 to 20 years before we are even close to that specification.

Hon ROBIN CHAPPLE: I appreciate the minister's position that most or all appliances would be resolved by that time. However, in the case of an appliance that has not been resolved by that time and using it causes an accident involving either the appliance or the health and safety of somebody living on that property, what will be the outcome?

Hon PETER COLLIER: In the first place, I want to clarify that at this stage we are talking about appliances that will probably be about 50 or 60 years old by the time the legislation has an impact.

Hon Robin Chapple: I know people who are still using a kero fridge.

Hon PETER COLLIER: Yes, fair cop; I agree with that—Coolgardie safes and the rest of them.

Hon Kate Doust interjected.

Hon PETER COLLIER: Precisely. As I said, we are dealing with appliances that will more than likely be at least 50 years old. After the date on which the Director of Energy Safety says that those appliances are no longer, dare I say it, applicable, it will be illegal to have those appliances. Therefore, people will not be able to have them. They must replace them.

Hon ROBIN CHAPPLE: Getting on to the illegality, the person who has this appliance may not be personally aware of the notice that he got on his gas bill or of the television advertisements. I am assuming that the guy lives on the outskirts if he has an appliance that is so old. Surely he has an argument that he was not availed of the information.

Hon PETER COLLIER: I appreciate the member's point, and I understand he is playing the devil's advocate in this instance, because on the most —

Hon Robin Chapple interjected.

Hon PETER COLLIER: Absolutely. However, as I said, a couple of things need to be understood. There will be blanket advertising. Everyone who uses gas will have a notice on their bill for a sustained period. The change in the gas specification is going to be, as I said, 10, 20 or 50 years down the track. Ultimately, if all those issues have not been met, or if we have reached the point at which someone still has a gas appliance that was made in 1965 and it blows up in 2070, whoever is responsible for the advertising campaign or the actual changes in the gas specification will be liable, and that will be the government.

Clause put and passed.

Hon PETER COLLIER: I seek the indulgence of the chamber. I refer to standing order 246. I say at the outset that I have no problems if we deal with each of these amendments individually. However, I will make a suggestion to the chamber, and I will seek leave of the chamber. I have a number of amendments that, in effect, do exactly the same thing. What we are doing is changing the person responsible for the appliance rectification program from the Coordinator of Energy to the Director of Energy Safety. I apologise to the chamber that this was not done before this legislation was drafted. Hold that moment, and I will start again! I was actually right, but I understand the situation. The first amendment refers to changing part 1A to part 2, which are one and the same. I will go back to where I was. This raft of amendments will give responsibility for the appliance rectification program to the Director of Energy Safety rather than the Coordinator of Energy. There has been prolonged discussion between the Coordinator of Energy and the Director of Energy Safety. They have agreed that the Director of Energy Safety is to be responsible for the appliance rectification program. The Director of Energy Safety and his staff have the technical knowledge to identify the gas appliances that are to be rectified, and they are responsible for supervising licensed gas features. Furthermore, they have had experience in the past in managing programs like the appliance rectification program. It is more appropriate for the Director of Energy Safety to have responsibility for the appliance rectification program, rather than the Coordinator of Energy. This collective group of amendments do exactly the same thing; they replace the Coordinator of Energy with the Director of Energy Safety.

The DEPUTY CHAIRMAN (Hon Helen Morton): The minister seeks to deal with all the amendments in clauses 22 to 25 collectively.

Leave granted for clauses 22 to 25 to be considered together.

Clauses 22 to 25 —

Hon KATE DOUST: I have a question. The third amendment to clause 22 is different from the others; it deletes the words "by the Minister". I just thought I would complicate things!

Hon PETER COLLIER: Can I just explain? It is a good question because the Director of Energy Safety reports to the Minister for Commerce, as opposed to me, believe it or not. So by taking that out, that falls in line with these amendments; otherwise the Director of Energy Safety would be reporting to me when in fact he is responsible to the Minister for Commerce.

Hon Kate Doust: I don't have a problem. I was just saying that it is a different amendment to the standard one.

The DEPUTY CHAIRMAN: Will the minister now move the amendments standing in his name from 9/22 to 17/25 inclusive?

Hon ROBIN CHAPPLE: I seek clarification. Will this allow us to go back and discuss the clauses that precede the final clarification here?

The DEPUTY CHAIRMAN: The minister seeks to deal with all of these clauses en bloc. Therefore matters in any of these clauses can be discussed in this process.

Leave granted for the following amendments to be moved together.

Hon PETER COLLIER: I move —

Clause 22, page 24, line 8 — To delete “Part 1A;” and insert —

Part 2;

Clause 22, page 24, after line 8 — To insert —

Director means the Director of Energy Safety referred to in the *Energy Coordination Act 1994* section 5;

Clause 22, page 24, line 21 — To delete —

by the Minister

Clause 23, page 25, line 12 — To delete “Coordinator” and insert —

Director

Clause 23, page 25, line 20 — To delete “Coordinator” and insert —

Director

Clause 23, page 25, line 21 — To delete “Coordinator,” and insert —

Director,

Clause 24, page 26, line 7 — To delete “Coordinator” and insert —

Director

Clause 25, page 26, line 18 — To delete “Coordinator” and insert —

Director

Clause 25, page 26, line 20 — To delete “Coordinator” and insert —

Director

Amendments put and passed.

The DEPUTY CHAIRMAN: The question now is that the clauses, as amended, be agreed to.

Hon ROBIN CHAPPLE: I do not wish to talk to any of those clauses, but I wish to deal with matters in clause 23.

The DEPUTY CHAIRMAN: We are dealing with that clause now.

Hon ROBIN CHAPPLE: Clause 23(3) reads —

The Coordinator need not perform the function under subsection (2) if, in the opinion of the Coordinator, there is not sufficient money standing to the credit of the Account to fund the rectification programme.

If there is no money in the rectification account, what happens to the appliances?

Hon PETER COLLIER: In that instance, if that is the case, the program is suspended and regulations that enable broader quality gas are reversed.

Hon ROBIN CHAPPLE: So if we run out of money in that period, there may be a number of appliances, industrial or private, that may not be fixed up much sooner than we were talking about in our previous comments. What happens if those appliances are not brought up to specification because there is not enough money and those appliances go wrong; is the government liable?

Hon PETER COLLIER: They cannot actually go wrong or there cannot be a problem with the appliance because the producer cannot provide a broader quality gas specification or a different quality gas specification.

Hon ROBIN CHAPPLE: I ask for clarification. If there is not enough money in that fund, notwithstanding that we are dealing with Macedon now but may be dealing with other entries to the gas market in the future, the specification of the gas would not be changed from its current standard.

Hon PETER COLLIER: Yes, that is correct; the specification will not be changed.

Hon ROBIN CHAPPLE: We have introduced gas that has a lower specification into the system, so will we then revert to the current specification?

Hon PETER COLLIER: Any broader specification gas will not flow until the Director of Energy Safety is satisfied that all appliances have been replaced—that is, the rectification process has been completed.

Hon ROBIN CHAPPLE: We may never get this gas.

Hon PETER COLLIER: If the producers do not fund the replacement program, that is the case, but I suggest that that is extremely unlikely.

Hon ROBIN CHAPPLE: I refer to clause 24, “Payments into and out of the Account”.

The DEPUTY CHAIR (Hon Helen Morton) I draw to members’ attention again that we are dealing with clauses 22 to 25 collectively. Members need to raise all their issues relevant to those clauses.

Hon ROBIN CHAPPLE: Thank you for that advice, Madam Deputy Chairman. I will endeavour to do so. I was dealing with the bill clause by clause. With regard to payments into and out of the account, clause 24(1)(a) reads —

- (a) all contributions from gas producers;

I am trying to find out how much the contribution is in this regard, and where the obligations lie for the producers to put the dollars into this account?

Hon PETER COLLIER: The Director of Energy Safety did a survey last year. It is anticipated that it would be approximately \$35 million.

Hon ROBIN CHAPPLE: Clause 24(2) states —

The money standing to the credit of the Account may be applied by the Coordinator for the following purposes —

“May” implies that it can be spent on something else. What might that something else be? Should “may” be “must”?

Hon PETER COLLIER: It is a list that the coordinator can spend the money on, but it cannot be spent on anything else.

Hon ROBIN CHAPPLE: Is the minister saying that he may be able to alter his or her definitions of where the money is spent as long as it fits within the charter?

Hon PETER COLLIER: Yes.

Clauses, as amended, put and passed.

Clauses 26 and 27 put and passed.

Clause 28: Regulations may provide for reimbursement scheme —

Hon ROBIN CHAPPLE: Subclause (4) states that the regulations may do the following, and it then lists a range of things in paragraphs (a) to (f). From my understanding, one of the things that the regulations will dictate is who must pay into the account for a reimbursement scheme, and how much must be paid into this account. Should this bill not set out the minimum amount that must be paid into this account, given that we have been given a guarantee that there will be enough money in this account to enable the scheme to go ahead?

Hon PETER COLLIER: No. It is not possible to put that in the bill, for the simple reason that we do not know the final amount at this stage and we do not know the number of producers.

Clause put and passed.

Clauses 29 to 31 put and passed.

Clause 32: Exemptions may be granted by Minister —

Hon ROBIN CHAPPLE: Subclause (1) states —

The Minister may, by order published in the *Gazette*, exempt from the application of this Act or specified provisions of this Act, wholly or to a specified extent —

It then lists a range of things in paragraphs (a) to (d). This seems to me to be a really wide power. I cannot see that there are any real checks and balances in that process. Are there any checks and balances; and, if so, how will they be dealt with?

Hon PETER COLLIER: There are the two issues. Firstly, this will be a disallowable instrument. Secondly, on page 36 of the explanatory memorandum there is quite a comprehensive explanation of this clause.

Clause put and passed.

Clause 33: Review of Act —

Hon ROBIN CHAPPLE: I move —

Page 31, line 9 — To delete “10” and insert —

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The minister touched on the reason for this amendment when he talked about this process not being on stream until 2017. Well before then we will most probably need to bring other gas fields on stream, so we will need to bring forward the whole process of the PIA before 2017, because of the decline of the current gas fields and the contracts that I spelt out during the second reading debate. It is my firm belief that five years hence we might find ourselves in the position of having to bring other gas with lower calorific value into the pipeline. We might find at that time that there are elements in that gas that mean that we need to review this legislation. I do not think that bringing the review forward is onerous; it is merely a good check and balance.

Hon PETER COLLIER: As I have flagged, the government will not support this amendment. The honourable member needs to understand that this review has nothing to do with people entering into PIAs; they can actually do that now. That is not really an issue. The second matter, and the point I brought up earlier, is that although Macedon may come on a little earlier, it is highly unlikely that any other field will come on stream earlier than five years hence. As a result of that, the spec itself will not reach the current specification; that is, around 37 megajoules per cubic metre. The notion of having a review within five years is probably a pointless exercise. Normally, I could understand and sympathise with such an amendment, but in this instance it would probably be a redundant measure that would not achieve much towards the outcomes the bill is intended to achieve.

Hon ROBIN CHAPPLE: I refer back to the forward projections of gas supply. It is quite clear that, by the time we reach 2013, if there is a two per cent annual expansion, we will be deficient by about 300 million cubic metres.

Hon Peter Collier: What document are you referring to there?

Hon ROBIN CHAPPLE: I am referring to the report I tabled the other day, “Natural Gas ‘Magic Pudding’ or Depleted Resource” dated 4 October 2009. If we go for an estimated demand growth of four per cent, we will be deficient about 900 million cubic metres. Way before even my proposed review we will have to bring other gas fields or gas supplies into the pipeline.

Hon PETER COLLIER: This bill will facilitate the expansion of all gas fields. That needs to be established right at the outset, and that is what we want. I will clarify the amendment and the points Hon Robin Chapple has made. The North West Shelf participants remain committed to selling domestic gas in Western Australia and continuing to invest in developing their infrastructure in the future. That has been established. This is evidenced by the completion in 2008 of the \$1.6 billion Angel platform, and the \$5 billion North Rankin redevelopment project currently underway, which will deliver additional supply to meet the venture’s future commitments post-2014, and extend field life to around 2040. Also, the Office of Energy has been advised that the information provided in the report that the member quoted from—namely, the Fleay report—regarding the North West Shelf gas supply contract is actually inaccurate, and whilst contractual arrangements between North West Shelf project participants and their customers are commercial in confidence, the Office of Energy understands that some contracts extend beyond the dates quoted in the Fleay report.

Hon ROBIN CHAPPLE: In fact, I am actually not talking about the lack of extension of North West Shelf. I am talking about the North West Shelf joint venture contracted amounts and the Varanus Island contracted amounts—Pluto, Reindeer, Gorgon—within the period 2012-15; they are known figures.

Hon PETER COLLIER: They can, of course, negotiate new contracts.

Hon Robin Chapple: Absolutely.

Amendment put and negatived.

Clause put and passed.

Clauses 34 to 36 put and passed.

Clause 37: Act amended —

Hon PETER COLLIER: I move —

Page 34, lines 9 to 11 — To oppose the clause.

This relates to the previous amendments, and comes about as a result of the changes to the National Gas Access (WA) Act 2009.

Amendment put and passed; clause thus negatived.

New clause 37 —

Hon PETER COLLIER: I move —

Page 34, after line 8 — To insert —

37. Act amended

This Division amends —

- (a) if this section comes into operation before the day on which the *National Gas Access (WA) Act 2009* section 26 comes into operation — the *Gas Pipelines Access (Western Australia) Act 1998*; or
- (b) otherwise — the *Gas Pipelines Access (Western Australia) Act 1998* (as amended by the *National Gas Access (WA) Act 2009* and cited as the *Energy Arbitration and Review Act 1998*).

New clause put and passed.

Clause 38 put and passed.

Title put and passed.

Bill reported, with amendments.