

GAS ACT 2000

NOTICE OF VARIATION No. 8

of the

DISTRIBUTION LICENCE (CONSTRUCTION)

granted on

13 MAY 2003

to

POWERCO TASMANIA PTY LTD

ACN 104 499 569

Background

In accordance with section 34(2)(a) of the *Gas Act 2000*, Powerco Tasmania Pty Ltd, by letter dated 23 July 2004, applied to the Director of Gas for variations of Powerco's gas distribution network construction licence issued on 13 May 2003 (the licence).

The application sought variations to include 'footprints' for the Stage 2 roll-out of the gas distribution network at Devonport and Burnie and in the greater Launceston and Hobart metropolitan areas.

While these came to the Director of Gas in a single set of documentation, they in fact propose variations to quite distinct geographic areas which are recognised as such within Schedule 3 to the licence. Accordingly they may, and ought, be considered separately on their merits.

The Director of Gas has advised the public generally of the application and sought submissions in relation to the applications. This was done by way of newspaper advertisements and publication on the Office of the Tasmanian Energy Regulator website.

The consultation period specified in the advertisement has expired (on 27 August 2004) and no submissions were received.

The Director of Gas must consider whether to grant the licence variations and whether or not there ought be conditions attached to the variations. Variations have already been approved in respect of Devonport and Burnie and the parts of the greater Hobart and Launceston metropolitan areas within the municipal boundaries of the cities of Hobart and Launceston respectively.

Powerco has withdrawn the application insofar as it relates to those parts of the greater Hobart area within the municipal areas of Kingborough and Clarence.

In this matter the Director of Gas deals with the application in respect of:

- the greater Hobart area within the municipal boundaries of the municipality of Brighton; and
- the greater Launceston area within the municipal boundaries of the municipalities of West Tamar and Meander Valley.

The grant of a construction licence confers certain rights on Powerco to construct a gas pipeline so approved on public lands. The body which is responsible for those lands may impose conditions but may not refuse to allow construction. The conditions are appellable.

Powerco has a construction licence for higher pressure gas mains into all relevant areas, other than West Tamar. Powerco has advised that West Tamar can be served without the need to construct higher pressure mains. Accordingly, this potential development will be incremental in the areas where mains are already authorised and does not require the construction of additional mains.

Submissions on this matter were sought from the relevant councils but no formal responses were received.

Conclusion

In relation to the areas within the municipal boundaries of the Brighton, West Tamar and Meander Valley municipal areas, the Director of Gas is satisfied that the proposed variations are not inconsistent with the objects of the *Gas Act 2000* and will, or will be likely to, promote:

- the development of the gas supply industry;
- efficiency in that industry; and
- the interests of consumers of gas.

Decision

In exercise of the power conferred by section 34(1) of the *Gas Act 2000*, the decision of the Director of Gas is to vary the licence in accordance with the application, insofar as it relates to areas within the municipal boundaries of the municipalities of Brighton, West Tamar and Meander Valley.

Schedule 3 of the licence for the construction of a gas distribution network granted to Powerco Tasmania Pty Ltd on 13 May 2003 and amended on 8 July 2003, 28 January 2004, 3 March 2004, 21 July 2004, 13 August 2004, 16 September 2004, 13 October 2004 and 1 November 2004, is varied by:

1. substituting the page headed "Schedule 3 – Authorised Distribution Systems" and the following page, attached to this Notice, for the page headed "Schedule 3 – Authorised Distribution Systems" and the following page, attached to the licence; and
2. substituting Plan Number 4 (Amended 3) attached to this Notice, for Plan Number 4 (Amended 2) attached to the licence.

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Andrew John Reeves

Director of Gas

7 March 2005

Schedule 3 – Authorised Distribution Systems²

This licence authorises the construction of gas distribution systems in the locations specified in the table below as follows:

1. (a) steel mains with a maximum allowable operating pressure from 1050 kPa up to 5100 kPa; and
(b) steel or polyethylene mains with a maximum allowable operating pressure from 500 kPa up to 1050 kPa,
the proposed routes of which are shown in blue or black on the Plan the number of which appears, or on the Plans the numbers of which appear, in the table against the name of the location, together with associated fittings and equipment, PROVIDED THAT such mains, fittings and equipment may be constructed within a corridor 1 kilometre wide centred on the proposed route in each location; and
2. steel and polyethylene mains and service pipes with a maximum allowable operating pressure of up to 500 kPa, together with associated fittings and equipment, within the area delineated by coloured boundary lines on the Plan the number of which appears, or on the Plans the numbers of which appear, in the table against the name of the location.

The Plans are attached to this licence.

² Schedule 3 amended:

8 July 2003 (Notice of Variation No. 1)

28 January 2004 (consolidation of a number of minor route variations involving substitution of plans and network diagrams but no alteration to the wording of the licence - no Notice of Variation issued)

3 March 2004 (Notice of Variation No. 2)

21 July 2004 (Notice of Variation No. 3)

13 August 2004 (Notice of Variation No. 4)

16 September 2004 (Notice of Variation No. 5)

13 October 2004 (Notice of Variation No. 6)

1 November 2004 (Notice of Variation No. 7)

7 March 2005 (Notice of Variation No. 8)

Location	Plan Number
Bell Bay	1 (Amended)
Burnie	2 (Amended)
Devonport	3 (Amended 2)
Hobart	4 (Amended 3)
Launceston	5 (Amended 2)
Longford	6 (Amended)
Ulverstone	7
Westbury	8 (Amended)
Wynyard	9 (Amended)