



New South Wales

Gas Supply (General) Amendment (Natural Gas Standards) Regulation 2001

under the

Gas Supply Act 1996

Her Excellency the Governor, with the advice of the Executive Council, has made the following Regulation under the *Gas Supply Act 1996*.

KIM YEADON, M.P.,

Minister for Energy

Explanatory note

The object of this Regulation is to amend the *Gas Supply (General) Regulation 1997* to provide for the establishment and enforcement of quality standards for natural gas in distribution pipelines.

This Regulation is made under the *Gas Supply Act 1996*, including section 83 (the general regulation-making power).

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Clause 1 Gas Supply (General) Amendment (Natural Gas Standards)
Regulation 2001

Gas Supply (General) Amendment (Natural Gas Standards) Regulation 2001

1 Name of Regulation

This Regulation is the *Gas Supply (General) Amendment (Natural Gas Standards) Regulation 2001*.

2 Amendment of Gas Supply (General) Regulation 1997

The *Gas Supply (General) Regulation 1997* is amended as set out in Schedule 1.

3 Notes

The explanatory note does not form part of this Regulation.

Schedule 1 Amendment

(Clause 2)

Part 6 and Schedule 1

Insert after Part 5:

Part 6 Natural gas standards

27 Definitions

In this Part:

compliant natural gas means natural gas that complies with the standards set out in Schedule 1.

non-compliant natural gas means natural gas that is not compliant natural gas.

reticulator means an authorised reticulator.

safety and operating plan, in relation to a reticulator, means a safety and operating plan lodged with the Director-General, and as amended from time to time, in accordance with the *Gas Supply (Safety and Operating Plans) Regulation 1997*.

supplier means an authorised supplier.

testing agency means a reticulator or other person who tests natural gas for the purpose of compliance by the reticulator with clause 31.

28 Natural gas in pipelines to comply with standards

- (1) A reticulator must not convey non-compliant natural gas through a distribution pipeline.
- (2) A supplier must not supply non-compliant natural gas to an end user customer through a distribution pipeline.

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- (3) A person must not inject non-compliant natural gas, or cause such gas to be injected, into a distribution pipeline.

Maximum penalty: 100 penalty units (in the case of a corporation) and 25 penalty units (in any other case).

29 Exception from natural gas standards in special cases

- (1) A reticulator does not commit an offence under clause 28 (1) by conveying non-compliant natural gas through a distribution pipeline if the gas is conveyed in accordance with this clause.

- (2) Non-compliant natural gas is conveyed by a reticulator in accordance with this clause if:

- (a) the reticulator reasonably believes that the conveyance of the gas is necessary to ensure the safety of the public or the security of the reticulator's pipeline, or
- (b) the reticulator reasonably believes that the gas that is, or is to be, delivered to the end user customer is compliant natural gas.

- (3) A reticulator conveying non-compliant natural gas in accordance with this clause must notify the Director-General:

- (a) by telephone, facsimile or email as soon as practicable after the time when the non-compliant natural gas began to be conveyed in the reticulator's pipeline, and
- (b) in writing within 14 days after that time.

Maximum penalty: 100 penalty units (in the case of a corporation) and 25 penalty units (in any other case).

30 Reticulator may obtain information and documents regarding natural gas standards

- (1) If a reticulator has reason to believe that a person has information or a document that may assist the reticulator in determining whether natural gas being injected into, or conveyed through, the reticulator's distribution pipeline is compliant natural gas, the reticulator may by notice in writing served on the person require the person to give the reticulator the information or a copy of the document.

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- (2) The notice must:
- (a) identify the information or document, and
 - (b) specify:
 - (i) a reasonable time by which the requirement must be complied with, and
 - (ii) the form in which the information or copy of the document is to be given to the reticulator, and
 - (c) state that the requirement is made under this clause, and
 - (d) include a copy of this clause.
- (3) A person must not, without lawful excuse, fail to comply with any requirement made by a notice under this clause.
- (4) A person must not, in purported compliance with a requirement made under this clause, give a reticulator information that the person knows is false or misleading.

Maximum penalty: 100 penalty units (in the case of a corporation) and 25 penalty units (in any other case).

31 Testing of natural gas

- (1) A reticulator must not convey natural gas through a distribution pipeline unless the reticulator has tested the gas, or caused the gas to be tested, in accordance with the reticulator's safety and operating plan, to ascertain whether the gas is compliant natural gas.
- Note.** If the reticulator does not itself test the gas, the person actually testing the gas is referred to in this Part as the **testing agency**. See clause 27.
- (2) A testing agency must keep a register containing copies of all test results at the agency's main office.
- (3) If a test has been made to determine a derived value (such as a Wobbe index value), the test results required to be kept in the register include the raw measurements used to determine that derived value.

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- (4) The testing agency must ensure that the register of test results is open for public inspection at all business hours, and copies of or extracts from the register are to be made available:
 - (a) to the Director-General—on request and at no cost, and
 - (b) to any other person—on request and on payment of a reasonable fee fixed by the testing agency.
- (5) A testing agency must maintain all testing equipment used to test natural gas, or cause that testing equipment to be maintained, in accordance with the reticulator's safety and operating plan.

Maximum penalty: 100 penalty units (in the case of a corporation) and 25 penalty units (in any other case).

32 Testing agencies and suppliers to report non-compliant natural gas

- (1) A testing agency must notify the Director-General without delay if the testing agency becomes aware of any test result that shows that natural gas in a reticulator's distribution pipeline is non-compliant.
- (2) A supplier who knows or becomes aware that any non-compliant natural gas is being, or is to be, conveyed through a reticulator's distribution must notify the Director-General without delay.
- (3) Notice under this clause may be given by telephone, facsimile or email.
- (4) A testing agency or supplier who gives notice of any matter under this clause by telephone must, within 7 days after doing so, send written notice of that matter to the Director-General.
- (5) A testing agency or supplier must not send to the Director-General a copy of, or notice of, any test result that the testing agency or supplier knows, or ought to know, is false or misleading.

Maximum penalty: 100 penalty units (in the case of a corporation) and 25 penalty units (in any other case).

33 Director-General may obtain information regarding non-compliant natural gas

- (1) If the Director-General believes that non-compliant natural gas is being, or is to be, injected into or conveyed through a reticulator's distribution pipeline, the Director-General may by notice in writing served on any person require that person to give the Director-General such information regarding the injection or conveyance of the non-compliant natural gas as the Director-General specifies.
- (2) The notice must:
 - (a) specify:
 - (i) a reasonable time by which the requirement must be complied with, and
 - (ii) the form in which the information is to be given to the Director-General, and
 - (b) state that the requirement is made under this clause.
- (3) A person must not, in purported compliance with a requirement made by a notice under this clause, give the Director-General information that the person knows, or ought to know, is false or misleading.
- (4) A person must comply with any requirement made by a notice issued by the Director-General under this clause.

Maximum penalty: 100 penalty units (in the case of a corporation) and 25 penalty units (in any other case).

34 Director-General may issue directions and take other measures regarding non-compliant natural gas

- (1) If the Director-General believes that non-compliant natural gas is being, or is to be, injected into or conveyed through a reticulator's distribution pipeline, the Director-General may issue directions to a reticulator or supplier regarding the injection or conveyance of the non-compliant natural gas.

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- (2) Without limiting subclause (1), the directions issued by the Director-General in accordance with this clause may require a reticulator or supplier to notify end user customers who may be supplied with the non-compliant natural gas that such gas is being, or is to be, injected into or conveyed through the distribution pipeline concerned.
- (3) A person must comply with any direction issued by the Director-General under this clause.

Maximum penalty: 100 penalty units (in the case of a corporation) and 25 penalty units (in any other case).

35 Natural gas must have odour

A reticulator must ensure that natural gas being conveyed, or to be conveyed, through the reticulator's distribution pipeline has a distinctive and unpleasant odour that is discernable at a level specified in the reticulator's safety and operating plan.

Maximum penalty: 100 penalty units (in the case of a corporation) and 25 penalty units (in any other case).

36 Exemptions

- (1) The Director-General may exempt a reticulator from any or all of the requirements of this Part.
- (2) If the Director-General grants an exemption to a reticulator under this clause, the Director-General may issue directions to the reticulator regarding the conveyance of natural gas through the reticulator's distribution pipeline.
- (3) A person must comply with any direction issued by the Director-General under subclause (2).

Maximum penalty: 100 penalty units (in the case of a corporation) and 25 penalty units (in any other case).

Schedule 1 Natural gas standards

(Clause 27)

1. Natural gas is to comply with the following specification limits:

Specification	Limit
Wobbe Index	minimum 46.0 MJ/m ³ maximum 52.0 MJ/m ³
Oxygen	maximum 0.2 mol %
Hydrogen sulphide	maximum 5.7 mg/m ³
Total sulphur	maximum 50.0 mg/m ³
Water content	maximum Dew point 0 °C at maximum transmission pressure (In any case, no more than 112.0 mg/m ³)
Hydrocarbon dew point	maximum 2.0 °C 3500 kPa
Total inert gases	maximum 7.0 mol %

2. The standard testing conditions for all the gas properties listed above are:

Temperature: 15 °C

Absolute pressure: 101.325 kPa

With the natural gas dry (that is, completely free from water vapour).