

1985

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

SENATE

PIPELINE AUTHORITY AMENDMENT BILL 1985

EXPLANATORY MEMORANDUM

(Circulated by Authority of the Minister for Resources and
Energy, Senator the Honourable Gareth Evans QC)

PIPELINE AUTHORITY AMENDMENT BILL 1985

OUTLINE

The purpose of this Bill is to amend the Pipeline Authority Act 1973 to encompass recent Heads of Agreement reached with The Australian Gas Light Company (AGL) in relation to haulage of gas on the Moomba to Sydney pipeline and construction of a northern lateral pipeline to Bathurst, Orange and Lithgow.

The "Heads of Agreement for Amendment of the 1974 Haulage Agreement" of 21 August 1985 are the result of negotiations between the Commonwealth, New South Wales and AGL. They require legislation to provide for representation by AGL on the Pipeline Authority (TPA), and to permit construction of the pipeline to Bathurst, Orange and Lithgow.

The amendments will have minimal effects on Commonwealth budgetary outlays, being limited to the costs of attendance at meetings of The Pipeline Authority by the AGL representative.

To the extent that amendment of section 15 will enable construction of the Bathurst-Orange-Lithgow pipeline, cost of the order of \$35 million will be incurred by way of off-Budget borrowings.

NOTES ON CLAUSES

Short Title

Clause 1 Is a formal machinery clause.

Commencement

Clause 2 Provides for the Act to come into operation on the day on which it receives the Royal Assent.

Membership of Authority

Clause 3 Provides for an additional part-time member of the Authority nominated for appointment by The Australian Gas Light Company. This will increase the number of members of the Authority from 5 to 6.

Acting appointments

Clause 4 Provides that a person shall not be appointed to act as a part-time member in the office of a part-time member who was appointed on the nomination of The Australian Gas Light Company unless the acting appointee has also been nominated by The Australian Gas Light Company.

Meetings of Authority

Clause 5 Increases the size of the quorum for meetings of the Authority from 3 to 4.

General powers of Authority

Clause 6 Removes the requirement for a separate Act of Parliament to authorize the construction by the Authority of each pipeline in Australia or on the Australian continental shelf or the continental shelf of the Territory of Ashmore and Cartier Islands. This will eliminate the need for specific legislation enabling construction of the Bathurst/Orange/Lithgow lateral.