

BassGas Pipeline Gas Transportation Agreement

Beach Energy (Operations) Limited ABN 66 007 845
338 (**Service Provider**)

[insert name] ABN [insert number] (**User**)

**Key: [square bracketed in yellow] to be completed when
entering into an Agreement with a User for one or more
Services**

BassGas Pipeline Gas Transportation Agreement

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Details

Date

Parties

Name **Beach Energy (Operations) Limited (ABN 66 007 845 338)**
Short form name **Service Provider**
Notice details Level 8, 80 Flinders Street, Adelaide, South Australia 5000
Email: **commercial@beachenergy.com.au**,
commercialopsvictoria@beachenergy.com.au
Attention: General Manager Commercial and Marketing

Name **[insert name] (ABN [insert number])**
Short form name **User**
Notice details **[insert]**
Email: **[insert]**
Attention: **[insert]**

Background

- A Service Provider owns and operates the Pipeline.
- B User requires one or more Services.
- C Service Provider has agreed to provide the Service(s) to User on and subject to the terms of this Agreement.

Agreed terms

1. Definitions and interpretation

1.1 Definitions

The meanings of the terms used in this Agreement are set out below.

Accumulated Imbalance means, in respect of User, at a point in time:

- (a) the sum of all quantities of Gas received from User at the Receipt Points; less
- (b) the sum of all quantities of Gas delivered to User at the Delivery Points; less
- (c) the sum of all quantities of System Use Gas attributable to User under clause 9.3.

Agreement means this gas transportation agreement.

Agreement Date means the date that the last Party to execute this Agreement does so.

Aggregate Scheduled Quantity for a Day means:

- (a) if only one Service is provided on that Day under this Agreement, the aggregate of the quantities of Gas scheduled by Service Provider for delivery to User at the Delivery Points on that Day; but
- (b) if both the Interruptible Forward Haul Service and Interruptible Back Haul Service are provided on that Day, the absolute value of the difference between the quantity of Gas scheduled for delivery to User in respect of Interruptible Forward Haul Service and the quantity of Gas scheduled for delivery to User in respect of Interruptible Back Haul Service, on that Day.

Approval means any approval, authorisation, consent, exemption, filing, licence, notarisaton, permit, certification, registration or waiver, and any conditions attaching to any of them (as applicable), by any Government Agency, and includes any renewal of, or variation to, any of them.

Back Haul Delivery Point means a point of interconnection between the Pipeline and an Interconnect Facility at which custody of Gas is to transfer from Service Provider to User and which is identified in the Commercial Terms Schedule for the Interruptible Back Haul Service.

Back Haul Receipt Point means the transfer point at Pakenham for supply of Gas from the Victorian Declared Wholesale Gas Market, being APA's Line Valve 9 Compound, Dore Road, Pakenham.

BassGas Joint Venture means the unincorporated joint venture between the BassGas Joint Venture Parties in relation to Production Licence T/L1.

BassGas Joint Venture Parties means the participants from time to time in the BassGas Joint Venture, which, as at the Agreement Date, and together with their respective participating interests are:

BassGas Joint Venture Party	Participating Interest
Beach Energy (Operations) Limited	72.5%
Beach Energy Limited	11.25%
Beach Energy (BassGas) Limited	5.0%
Prize Petroleum International Pte Ltd	11.25%

Business Day means any Day except Saturdays, Sundays and gazetted public holidays in Melbourne.

Capacity means the capacity of the Pipeline or (if the context requires) a part of the Pipeline (including a Receipt Point or Delivery Point) to receive, or (if the context requires) deliver, Gas on a Day.

Capped Amount means an amount equal to the sum of all charges payable by User for the provision of all Services under this Agreement in a period of 6 Months (excluding any amounts payable by User on account of Imbalance Charges and Unauthorised Overrun Charges).

Change of Law means:

- (a) any law, regulation, rules, code, or sub-code being introduced, amended or repealed in whole or in part;
- (b) the imposition of any Impost which was not in force as at the Agreement Date;
- (c) the repeal or removal of an Impost;
- (d) the rate at which any Impost is levied being varied from the rate prevailing as at the Agreement Date;
- (e) the basis on which any Impost is levied or calculated being varied from the basis on which it is levied or calculated as at the Agreement Date;
- (f) a variation in the interpretation or administration of a law or regulation by a Government Agency or a court or tribunal; or
- (g) a scheme being introduced by any Government Agency providing for Service Provider to gain or hold any licence, permit or authorisation or providing for Service Provider to purchase, hold or surrender any certificate, permit or instrument or any such scheme being varied,

except to the extent that such imposition, amendment, repeal, variation or introduction relates to income tax or GST.

Claim means any claim, action, demand, proceeding, suit or other action whether for payment of money (including damages) or any other relief or remedy:

- (a) under, arising out of or in connection with this Agreement;
- (b) arising out of or in connection with the Services; or
- (c) otherwise at law or in equity including:
 - (i) by statute;
 - (ii) in tort for negligence or otherwise; or
 - (iii) for restitution, including restitution based on unjust enrichment.

Commercial Terms Schedule means a schedule attached to this Agreement and relating to a particular Service setting out commercial terms applicable to the provision of that Service to User, including type of Service, Service Commencement Date, Service Termination Date, applicable charges, applicable Receipt Point(s) and Delivery Point(s), MDQ, and any special conditions applicable to the provision of that Service to User.

Conditions has the meaning given in clause 2.1.

Consequential Losses means:

- (a) special, indirect, remote, consequential and incidental losses or damages (whether or not they were or ought to have been foreseen or known by the other Party);
 - (b) any loss of business opportunity, business interruption, loss of revenue, loss of access to markets, loss of goodwill, loss of business reputation, future reputation or publicity, increased overhead costs, damage to credit rating, loss of use, loss of interest or loss of profit or anticipated loss of profit or revenue;
 - (c) punitive or exemplary damages; and
 - (d) third party financial or economic losses,
- and any other similar loss.

Corporations Act means the *Corporations Act 2001* (Cth).

Cut-Off Date means [insert].

Day means:

- (a) subject to paragraph (b), a period of 24 consecutive hours beginning at 0600 hours on each day and ending at 0600 hours on the following day; or
- (b) such other period of time as may be required by law.

Delivery Point means, depending on the context, a Forward Haul Delivery Point or a Back Haul Delivery Point.

Delivery Point Metering Equipment means, in respect of a Delivery Point, all equipment and instruments installed at that Delivery Point to measure and monitor the pressure, volume, temperature and other specifications of Gas

Direct Losses means, in relation to a Party, actual, direct and foreseeable losses, costs, damages and expenses suffered or incurred by that Party caused by, or resulting from, a breach of this Agreement by the other Party, and includes all charges and other amounts that would be payable by User to Service Provider under this Agreement during the Term, but does not include any Consequential Losses.

Dispute has the meaning given in clause 26.1(a).

Firm Basis means the provision of the relevant Pipeline Service up to the relevant Firm Forward Haul Service MDQ without interruption or curtailment except for reasons of Force Majeure affecting Service Provider and Maintenance Operations.

Firm Forward Haul Service means a forward haul Pipeline Service provided on a Firm Basis. For clarity, the BassGas Joint Venture Parties are provided with a Firm Forward Haul Service in respect of the entire forward haul Capacity of the Pipeline.

Firm Forward Haul Service MDQ means the maximum quantity of Gas that a Firm Forward Haul Service User is entitled to have delivered on a Day at the Forward Haul Delivery Point.

Firm Forward Haul Service User means a person that is entitled to be provided with a Firm Forward Haul Service.

Force Majeure means any event or circumstance not within the control of a Party and which by the exercise of due diligence, that Party is not reasonably able to prevent or overcome, including without limiting the generality of the nature of those events or circumstances and provided that they meet the foregoing criteria:

- (a) acts of God, including without limitation, earthquakes, floods, washouts, landslides, lightning, storms and the elements;
- (b) strikes, lockouts, bans, slowdowns or other industrial disturbances;
- (c) acts of enemy, wars, acts of terrorism, blockades or insurrections, riots and civil disturbances, arrest and restraint of rulers and peoples;
- (d) actual or reasonably perceived security threat to a Party's property or operations;
- (e) fire or explosion;
- (f) epidemic or quarantine;
- (g) order of any court or the order, law, rule, regulation, act or omission or failure to act of any Government Agency having jurisdiction, or lawful failure of any Government Agency to provide any necessary consent or approval; or
- (h) accident, breakages or accident to machinery or pipelines, the necessity for making repairs and/or alterations in machinery or pipelines (other than routine maintenance for which notice has not been given), freezing of wells or pipelines,

but does not, under any circumstances, include:

- (i) lack of funds;
- (j) changes in market conditions for transportation or the purchase or sale of Gas; or
- (k) inability to borrow funds.

Forward Haul Delivery Point means the transfer point at Pakenham for supply of Gas into the Declared Wholesale Gas Market, being APA's Line Valve 9 Compound, Dore Road, Pakenham.

Forward Haul Receipt Point means:

- (a) the point at which the Gas Processing Facility connects to the Pipeline; or
- (b) such other point of interconnection between the Pipeline and an Interconnect Facility as may be agreed between the Parties from time to time.

Gas means any hydrocarbons in a gaseous state and any mixture of one or more hydrocarbons in a gaseous state that may contain other gases (including the residue resulting from the treatment or processing of natural gas).

Gas Processing Facility means the Gas processing facility owned by the BassGas Joint Venture Parties and situated at Lang Lang in Victoria.

Gas Specification means the specification set down in AS 4564 *Australian Standard Specification for General Purpose Natural Gas*.

GJ means one gigajoule.

Government Agency means any government or governmental, administrative, regulatory, monetary, fiscal or judicial body, department, commission, authority, tribunal, agency or entity in any part of the world.

Imbalance Charge has the meaning given in clause 13.2.

Imbalance Charge Rate means, at a point in time, an amount per GJ equal to 200% of the Interruptible Forward Haul Service Charge Rate at that time.

Impost means any royalty (whether based on value, profit or otherwise), tax, excise, levy, fee, rate, charge or cost levied, charged or imposed on Service Provider or any third party by any Government Agency, or other body authorised by law to impose that Impost and the cost of any certificate, permit or instrument required to be acquired.

Independent Expert means an expert appointed under and for the purposes of clause 26.

Interconnect Parties means persons who operate Interconnect Facilities.

Interconnect Facilities means those pipeline facilities at either:

- (a) a Delivery Point or
- (b) a Receipt Point,

that connect the Pipeline to the facilities of User or another person who receives or delivers Gas for User's account, and which are necessary to enable User to supply, or to take delivery, of Gas under this Agreement.

Interest Rate means the corporate overdraft reference rate for overdrafts of greater than \$100,000 (monthly charging cycle) applied from time to time by the Commonwealth Bank of Australia.

Interruptible Back Haul Service has the meaning given in clause 4.2(c).

Interruptible Back Haul Service Charge Rate means the rate bearing that description set out in the Commercial Terms Schedule for the Interruptible Back Haul Service as escalated from time to time.

Interruptible Back Haul Service MDQ means:

- (a) in relation to User pursuant to this Agreement, if there is a completed Commercial Terms Schedule for the Interruptible Back Haul Service attached to this Agreement, the quantity of Gas specified in that Commercial Terms Schedule; and
- (b) in relation to an Other User, the maximum quantity of Gas that the Other User has contracted to have delivered in aggregate at all Back Haul Delivery Points on the Pipeline under an Interruptible Back Haul Service on any Day.

Interruptible Back Haul Service User means:

- (a) User, if there is a completed Commercial Terms Schedule for the Interruptible Back Haul Service attached to this Agreement; and
- (b) any Other User that has contracted to be provided with an Interruptible Back Haul Service.

Interruptible Forward Haul Service has the meaning given in clause 4.1(b).

Interruptible Forward Haul Service Charge Rate means:

- (a) the rate bearing that description set out in the Commercial Terms Schedule for the Interruptible Forward Haul Service as escalated from time to time; but
- (b) if there is no completed Commercial Terms Schedule for the Interruptible Forward Haul Service then, for the purposes of determining the Imbalance Charge Rate, the rate bearing that description as set out in the Standing Terms for the provision of Interruptible Forward Haul Service as escalated from time to time.

Interruptible Forward Haul Service MDQ means:

- (a) in relation to User pursuant to this Agreement, if there is a completed Commercial Terms Schedule for the Interruptible Forward Haul Service attached to this Agreement, the quantity of Gas specified in that Commercial Terms Schedule; and
- (b) in relation to an Other User, the maximum quantity of Gas that the Other User has contracted to have delivered at the Forward Haul Delivery Point on the Pipeline under an Interruptible Forward Haul Service on any Day.

Interruptible Forward Haul Service User means:

- (a) User, if there is a completed Commercial Terms Schedule for the Interruptible Forward Haul Service attached to this Agreement; and
- (b) any Other User that has contracted to be provided with an Interruptible Forward Haul Service.

Licence means Pipeline Licence No. 244 granted under the *Pipelines Act 1967* (Vic).

Maintenance Operations has the meaning given in clause 16.2.

Metering Equipment means, depending on the context, Receipt Point Metering Equipment or Delivery Point Metering Equipment.

MDQ means, depending on the context:

- (a) the Interruptible Forward Haul Service MDQ; or
- (b) the Interruptible Back Haul Service MDQ.

Month means calendar month.

National Gas Law means the Schedule to the *National Gas (South Australia) Act 2008* (SA) and made applicable in each other Australian jurisdiction under the relevant mirror applicable legislation.

National Gas Rules has the meaning given in the National Gas Law.

Non-Specification Gas has the meaning given in clause 15.2(a).

Other User means a person (other than User pursuant to this Agreement) to whom Service Provider is providing, or (if the context requires) intends to provide, a Pipeline Service.

Party means, depending on the context, Service Provider or User.

Pipeline means the pipeline system that is operated by Service Provider pursuant to the Licence.

Pipeline Service Point has the meaning given to 'pipeline service point' in the National Gas Rules.

Pipeline Services means Gas receipt, transportation, storage, delivery and related or ancillary services provided by means of the Pipeline.

Reasonable and Prudent means, in relation to an undertaking, the exercise of the skill, diligence, prudence and foresight which would be exercised by a skilled, competent and experienced person seeking at all times to comply with good industry practice and complying with all recognised standards and applicable laws in a comparable type of undertaking under comparable circumstances.

Receipt Point means, depending on the context, the Forward Haul Receipt Point or Back Haul Receipt Point.

Receipt Point Metering Equipment means, in respect of a Receipt Point, all equipment and instruments installed at that Receipt Point to measure and monitor the pressure, volume, temperature and other specifications of Gas.

Service means a Pipeline Service for which a Commercial Terms Schedule is effective (as that Commercial Terms Schedule may be varied or amended in accordance with this Agreement from time to time).

Service Commencement Date for a Service means the date that the Service will commence as set out in the Commercial Terms Schedule for that Service.

Service Term for a Service means the period commencing on the relevant Service Commencement Date and ending on the relevant Service Termination Date.

Solvency Default means:

- (a) a “controller” (as defined in section 9 of the Corporations Act), administrator or similar officer is appointed in respect of a person or any asset of a person;
- (b) a liquidator or provisional liquidator is appointed in respect of a person;
- (c) any application (not withdrawn or dismissed within 14 days) is made to a court for an order, an order is made or a resolution is passed, for the purpose of:
 - (i) appointing a person referred to in paragraphs (a) or (b) of this definition;
 - (ii) winding up or deregistering a person; or
 - (iii) proposing or implementing a scheme of arrangement (other than on solvent terms);
- (d) any application (not withdrawn or dismissed within 14 days) is made to a court for an order or a resolution is passed, for the purpose of implementing or agreeing:
 - (i) a moratorium of any debts of a person;
 - (ii) any other assignment, composition or arrangement (formal or informal) with a person’s creditors; or
 - (iii) any similar proceeding or arrangement by which the assets of a person are subjected conditionally or unconditionally to the control of that person’s creditors or a trustee,or any agreement or other arrangement of the type referred to in this paragraph (d) is ordered, declared or agreed to;
- (e) as a result of the operation of section 459F(1) of the Corporations Act, a person is taken to have failed to comply with a statutory demand (as defined in that Act);
- (f) anything analogous to anything referred to in paragraphs (a) to (e) (inclusive) of this definition, or which has a substantially similar effect, occurs with respect to a person under any law of any jurisdiction; or
- (g) a person is, or admits in writing that it is, or is declared to be, or is taken under any applicable law to be (for any purpose), insolvent or unable to pay its debts.

Service Termination Date for a Service means the date that the Service will end as set out in the Commercial Terms Schedule for that Service.

Standing Terms means the standard terms and conditions for the provision of Pipeline Services as published from time to time by Service Provider in accordance with Part 23 of the National Gas Rules.

System Use Gas means the quantity of Gas required by Service Provider for the purposes of operating and maintaining the Pipeline (including compressor fuel, Gas lost, Gas vented, unaccounted for Gas, and heater Gas), and for keeping the line pack of the Pipeline at a level to enable the Pipeline to operate efficiently.

Term has the meaning given in clause 3.1.

Termination Date means the time of commencement of the last Day of the Service Term for the Service that ends last under this Agreement, or any earlier date on which this Agreement is terminated in accordance with its terms.

TJ means one terajoule.

Tolerance Level means, in respect of a Day, 2% of the Aggregate Scheduled Quantity for that Day.

Unauthorised Overrun Charge has the meaning given in clause 14.1.

Unauthorised Overrun Charge Rate means, at a point in time, an amount per GJ equal to 300% of the:

- (a) Interruptible Forward Haul Service Charge Rate; or
- (b) Interruptible Back Haul Service Charge Rate,

as applicable, at that time.

Wilful Misconduct means, in relation to a Party, any act or omission of that Party or any of its employees, agents or contractors which is not expressly permitted by this Agreement and which:

- (a) was done or omitted to be done with deliberate, knowing or reckless disregard for its foreseeable, harmful and avoidable consequences; and
- (b) was not an error of judgment, mistake or other act or omission (negligent or not) that was made in good faith.

1.2 Interpretation

In this Agreement, except where the context otherwise requires:

- (a) the singular includes the plural and vice versa, and a gender includes other genders;
- (b) another grammatical form of a defined word or expression has a corresponding meaning;
- (c) a reference to a clause, paragraph, schedule or annexure is to a clause or paragraph of, or schedule or annexure to, this Agreement, and a reference to this Agreement includes any schedule or annexure;
- (d) a reference to a document or instrument includes the document or instrument as novated, altered, supplemented or replaced from time to time;
- (e) a reference to A\$, \$A, dollar or \$ is to Australian currency;
- (f) a reference to time is to Eastern Standard Time;
- (g) a reference to a Party is to a Party to this Agreement, and a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes;
- (h) a reference to a person includes a natural person, partnership, body corporate, association, governmental or local authority or agency or other entity;
- (i) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (j) a word or expression defined in the Corporations Act has the meaning given to it in the Corporations Act;
- (k) the meaning of general words is not limited by specific examples introduced by **including, for example** or similar expressions;
- (l) any agreement, representation, warranty or indemnity by two or more Parties (including where two or more persons are included in the same defined term) binds them jointly and severally;
- (m) any agreement, representation, warranty or indemnity in favour of two or more Parties (including where two or more persons are included in the same defined term) is for the benefit of them jointly and severally;

- (n) a rule of construction does not apply to the disadvantage of a Party because the Party was responsible for the preparation of this Agreement or any part of it; and
- (o) if a day on or by which an obligation must be performed or an event must occur is not a Business Day, the obligation must be performed or the event must occur on or by the next Business Day.

1.3 Standards

Terminology used to describe units will, unless otherwise stated, be in accordance with:

- (a) Australian Standard AS ISO 1000 – 1998, the international system of units (SI) and its application;
- (b) the *National Measurement Act 1960* and the regulations under that Act;
- (c) AS/NZS 1376 - 1996 Conversion Factors; and
- (d) the Australian Gas Association publication 'Metric Units and Conversion Factors for Use in the Australian Gas Industry'.

1.4 Rounding

- (a) Subject to clauses 1.4(b) and 1.4(c), any numerical calculation that results in more than four decimal places must be rounded to four decimal places by being rounded up, if the decimal place following the fourth decimal place is greater than or equal to 5, and rounded down, if the decimal place following the fourth decimal place is less than 5.
- (b) Any numerical calculation of a quantity of Gas must be rounded to the nearest GJ by being rounded up, if the first decimal place is greater than or equal to 5, and rounded down, if the first decimal place is less than 5.
- (c) With the exception of tariffs, any numerical calculation of a dollar amount must be rounded to the nearest cent by being rounded up, if the next decimal place is greater than or equal to 5, and rounded down, if the next decimal place is less than 5.
- (d) Any numerical calculation of a tariff amount must be rounded to four decimal places by being rounded up, if the next decimal place is greater than or equal to 5, and rounded down, if the next decimal place is less than 5.

1.5 User

References in this Agreement to User:

- (a) supplying Gas to Service Provider at a Receipt Point or tendering Gas for receipt at a Receipt Point include, where the context permits, Gas supplied or tendered by or on behalf of User; and
- (b) taking delivery of Gas at a Delivery Point or Service Provider tendering Gas for delivery to User at a Delivery Point include, where the context permits, Gas delivered or tendered to a person on behalf of, or to the account of, User.

1.6 Agency of Service Provider

- (a) Service Provider enters into this Agreement as agent for and on behalf of the BassGas Joint Venture Parties.
- (b) The obligations and liabilities of the BassGas Joint Venture Parties are several in proportion to their respective participating interests in the Bass Gas Joint Venture, and are neither joint, nor joint and several.
- (c) Any warranty, representation or acknowledgement given by a BassGas Joint Venture Party is given in respect of itself and not on behalf of, or in respect of, any other BassGas Joint Venture Party.
- (d) Whenever this Agreement:
 - (i) bestows a right on Service Provider (including any right of indemnity) that right is conferred on all BassGas Joint Venture Parties; or

- (ii) imposes an obligation or liability on Service Provider, that obligation or liability is imposed on all of the BassGas Joint Venture Parties in accordance with clauses 1.6(b) and 1.6(c).

2. Conditions Precedent

2.1 Conditions

Clauses 1, 18, 25, 26, 27, 28, 29, 30, 31 and 32, and this clause 2, come into force on the Execution Date. The remaining clauses do not become binding on the Parties and are of no force or effect until the satisfaction of the following conditions or their waiver in accordance with clause 2.2:

- (a) User establishing to the reasonable satisfaction of Service Provider that:
 - (i) User has obtained all Approvals that are required:
 - (A) upstream of each Receipt Point to which a Service applies, in order for User to lawfully have Gas received by Service Provider from Interconnect Facilities at each such Receipt Point during the Term; and
 - (B) for User to lawfully:
 - (I) take delivery of Gas at each Delivery Point to which a Service applies; and
 - (II) have that Gas received into the relevant Interconnect Facilities that are downstream of each such Delivery Point, during the Term;
 - (ii) User has entered into agreements with each Interconnect Party and all other persons that may be required in order for User to have all Gas the subject of each Service lawfully:
 - (A) received into the Pipeline from the relevant Interconnect Facilities; and
 - (B) delivered from the Pipeline into the relevant Interconnect Facilities, during the Term, and all of those agreements becoming unconditional;
- (b) **[insert any other(s)]**,
(together the **Conditions**).

2.2 Waiver

The Conditions are for the benefit of both Parties and neither Party may waive a Condition without the prior written approval of the other Party.

2.3 Conditions not satisfied

- (a) If all of the Conditions are not satisfied or waived by the Cut-Off Date, Service Provider may terminate this Agreement at any time by written notice to User.
- (b) Upon termination by Service Provider, each Party will be freed and discharged from all further obligations and liabilities under this Agreement other than under clause 28 but without prejudice to any rights, remedies, obligations and liabilities in respect of this Agreement arising prior to termination.

3. Term and Service Terms

3.1 Term

The term of this Agreement:

- (a) commences on the Service Commencement Date of the Service that commences first under this Agreement; and
- (b) ends on the Termination Date,
(Term).

3.2 Service Terms

The period for the provision of a Service:

- (a) commences on the Service Commencement Date for that Service; and
- (b) continues for the Service Term for that Service, or such earlier date as this Agreement is terminated in accordance with its terms.

4. Transportation Services

4.1 Interruptible Forward Haul Service

- (a) On any Day during the Service Term of the Interruptible Forward Haul Service, User may require and Service Provider will provide to User, the Interruptible Forward Haul Service, on and subject to the terms of this Agreement.
- (b) **Interruptible Forward Haul Service** means:
 - (i) the receipt by Service Provider at the Forward Haul Receipt Point of a quantity of User's Gas scheduled for that Day up to, but not exceeding, the Interruptible Forward Haul Service MDQ, plus User's share of any System Use Gas; and
 - (ii) the delivery by Service Provider to User at the Forward Haul Delivery Point of an equivalent quantity of Gas to the quantity of Gas received by Service Provider at the Forward Haul Receipt Point less System Use Gas, but not exceeding the Interruptible Forward Haul Service MDQ.
- (c) The Interruptible Forward Haul Service:
 - (i) will only be available on a Day if Service Provider, in its absolute discretion, determines that sufficient Capacity remains after all of the agreements for Pipeline Services with a higher priority than the Interruptible Forward Haul Service have been satisfied by Service Provider; and
 - (ii) despite anything to the contrary in this Agreement, may be interrupted on a Day by Service Provider without any liability to User, even after the Interruptible Forward Haul Service has been scheduled for, and/or commenced on, that Day by Service Provider.

4.2 Interruptible Back Haul Service

- (a) On any Day during the Service Term of the Interruptible Back Haul Service, User may require and Service Provider will provide to User, the Interruptible Back Haul Service, on and subject to the terms of this Agreement.
- (b) **Interruptible Back Haul Service** means:
 - (i) the delivery by Service Provider to User at one or more Back Haul Delivery Points of a quantity of Gas (in aggregate) not exceeding the Interruptible Back Haul Service MDQ; and
 - (ii) the receipt by Service Provider at the Back Haul Receipt Point of a quantity of User's Gas equal the quantity of Gas that the Transporter delivered (in aggregate) to the Back Haul Delivery Points.
- (c) The Interruptible Back Haul Service:
 - (i) will only be available on a Day if Service Provider determines, in its absolute discretion, that sufficient Capacity remains after all of the agreements for Pipeline Services with a higher priority than the Interruptible Forward Haul Service have been satisfied by Service Provider; and
 - (ii) despite anything to the contrary in this Agreement, may be interrupted on a Day by Service Provider without any liability to User, even after the Interruptible Back Haul Service has been scheduled for, and/or commenced on, that Day by Service Provider.

5. Priority of Services

If there is insufficient Capacity to satisfy all:

- (a) nominations by User and all Other Users; or
- (b) quantities scheduled by Service Provider for User and all Other Users,

for Pipeline Services for a Day, then Service Provider will:

- (c) in the case of clause 5(a), schedule Gas deliveries and/or receipts in the order set out below; or
- (d) in the case of clause 5(b), curtail or interrupt Gas deliveries and/or receipts in the opposite order to that set out below (and where Service Provider is curtailing or interrupting Gas deliveries and/or receipts, references below to quantities nominated by User or an Other User will be taken to be references to quantities scheduled by Service Provider for User or that Other User):
 - (i) Quantities nominated by all Firm Forward Haul Service Users within their respective Firm Forward Haul Service MDQs. If the sum of the confirmed nominations exceeds the available Capacity, the available Capacity will be shared between the Firm Forward Haul Service Users pro rata on the basis of their respective Firm Forward Haul Service MDQs.
 - (ii) Quantities nominated by all Interruptible Forward Haul Service Users (and accepted by Service Provider) for Interruptible Forward Haul Service. If the sum of those quantities exceeds the actual Capacity available to meet those requested Interruptible Forward Haul Services, the available Capacity will be shared between those Interruptible Forward Haul Service Users pro-rata on the basis of their respective accepted nominations for Interruptible Forward Haul Service on the relevant Day.
 - (iii) Quantities nominated by all Interruptible Back Haul Service Users (and accepted by Service Provider) for Interruptible Back Haul Service. If the sum of those quantities exceeds the actual Capacity available to meet those requested Interruptible Back Haul Services, the available Capacity will be shared between those Interruptible Back Haul Service Users pro-rata on the basis of their respective accepted nominations for Interruptible Back Haul Service on the relevant Day.

6. Nominations

6.1 Nominations and estimates

By no later than 1000 hours on each Day, User must provide Service Provider with:

- (a) a nomination for each Service for the following Day; and
- (b) its best estimate of its requirements for each Service for the following two Days,

which, in each case, must not exceed the relevant MDQ.

6.2 Deemed nomination

If User fails to make a nomination under clause 6.1(a) for a Service for a Day, User's nomination for that Service for that Day will be deemed to be zero.

7. Scheduling

7.1 Service Provider to schedule

By 1400 hours on each Day, Service Provider will:

- (a) schedule receipts and deliveries (if any) of Gas for each Service; and
- (b) notify User of the scheduled quantities (if any).

7.2 User acknowledgements

User acknowledges that any scheduling of a Service for a Day by Service Provider is not intended to, and does not, amount to a representation by Service Provider that the whole or any part of the scheduled quantities will in fact be received or delivered on that Day.

8. Pressure

8.1 Interruptible Forward Haul Service

In respect of the Interruptible Forward Haul Service:

- (a) User must supply Gas to Service Provider at the Forward Haul Receipt Point at a pressure of:
 - (i) not less than 3,500 kPag; and
 - (ii) not greater than 8,700 kPag;
- (b) Service Provider will make Gas available for delivery to User at the Forward Haul Delivery Point at the pressure existing from time to time in the Pipeline;
- (c) Service Provider is not obliged to install inlet compression or any other facilities at the Forward Haul Receipt Point or at any other location to permit or enable entry of User's Gas into the Pipeline; and
- (d) User must indemnify Service Provider from and against all losses, costs, damages, expenses and liabilities suffered or incurred by Service Provider as a consequence of the failure by User to supply Gas in accordance with clause 8.1(a).

8.2 Interruptible Back Haul Service

In respect of the Interruptible Back Haul Service:

- (a) User must deliver Gas at the Back Haul Receipt Point at a pressure sufficient for it to enter the Victorian Transmission System; and
- (b) Service Provider will make Gas available for delivery to User at the Back Haul Delivery Point at the pressure existing from time to time in the Pipeline.

9. System Use Gas

9.1 Take or return

Service Provider may, at no cost to Service Provider, either take System Use Gas from the Gas supplied by User and Other Users into the Pipeline or return System Use Gas by reducing Gas supplied by User and Other Users into the Pipeline.

9.2 Notification

Service Provider will notify User of its share of System Use Gas for a Day.

9.3 User's share

User's share of the quantity of System Use Gas required by Service Provider for a Day, will be calculated as follows:

$$\text{TSUG} \times [\text{URPQ} / \text{TRPQ}]$$

where:

TSUG = the total quantity of System Use Gas reasonably determined by Service Provider to be required on that Day;

URPQ = the quantity of Gas measured or determined as being supplied at the Receipt Points by User on that Day under this Agreement; and

TRPQ = the total quantity of Gas measured or determined as being supplied by User and all Other Users into the Pipeline on that Day.

10. Measurement

10.1 Quantity and quality

The quantity and quality of Gas metered at each Receipt Point and each Delivery Point will be determined in accordance with Schedule 1.

10.2 Responsibility

Responsibility for operation and maintenance of particular Metering Equipment is set out in Schedule 1.

11. Allocation of receipt and delivery quantities

11.1 Allocation – Sole User

If a Receipt Point or Delivery Point is used on a Day only by User, User will, for the purposes of this Agreement, be taken to have supplied or to have taken delivery of the total quantity of Gas measured or determined as having been supplied at that Receipt Point or delivered to that Delivery Point on that Day.

11.2 Allocation – Shared Point

If, on a Day:

- (a) a Receipt Point or Delivery Point is used by User and one or more Other Users; and
- (b) the aggregate quantity of Gas actually received at that Receipt Point, or delivered at the Delivery Point, does not equal the aggregate of the quantities scheduled by Service Provider for that Day, then Service Provider will allocate the aggregate quantity received or delivered among User and each Other User in accordance with Service Provider's usual allocation methodology.

12. Additional Receipt and Delivery Points

User has the right to request, from time to time, the use of an additional Pipeline Service Point on the Pipeline in accordance with Chapter 24 of the National Gas Rules.

13. Imbalance

13.1 Accumulated Imbalance

- (a) On each Day, User must use all reasonable endeavours to ensure that its Accumulated Imbalance is within the Tolerance Level by adjusting nominations, receipts and deliveries of Gas under this Agreement.
- (b) If the absolute value of User's Accumulated Imbalance is greater than the Tolerance Level at the end of any Day, User must reduce its Accumulated Imbalance over the following Day to less than the Tolerance Level.
- (c) If the absolute value of User's Accumulated Imbalance is greater than the Tolerance Level at the end of the one Day period referred to in clause 13.1(b), Service Provider has the right (but not the obligation) to immediately adjust receipts and/or deliveries of User's Gas to reduce, or completely remove, the absolute value of the Accumulated Imbalance to less than the Tolerance Level.

13.2 Imbalance charge

If the absolute value of User's Accumulated Imbalance is greater than the Tolerance Level (the difference being the **Excess Quantity**) at the end of the one Day period referred to in clause 13.1(b), User must pay an amount determined by multiplying the Imbalance Charge Rate by the Excess Quantity (in GJs) (**Imbalance Charge**).

14. Unauthorised Overrun

14.1 Unauthorised Overrun Charge

If, on a Day, User takes delivery of a quantity of Gas in respect of a Service that exceeds the quantity scheduled by Service Provider for that Service (the difference being the **Unauthorised Overrun Quantity**) then, subject to clause 14.2, User must pay an amount determined by multiplying the Unauthorised Overrun Charge Rate by the Unauthorised Overrun Quantity (in GJs) (**Unauthorised Overrun Charge**).

14.2 Qualification

The Unauthorised Overrun Quantity for a Day will be reduced to the extent (if any) that Service Provider gave prior written consent to User taking delivery of a quantity of Gas in excess of the scheduled quantity for that Day.

15. Gas Quality

15.1 Gas Quality at Receipt Point

Subject to this clause 14, all Gas supplied by User to Service Provider at a Receipt Point must, at all times, be in accordance with the Gas Specification.

15.2 Supply of Non-Specification Gas by User

- (a) Service Provider may refuse to accept Gas into the Pipeline that does not meet the Gas Specification (**Non-Specification Gas**) if to do so may result in:
 - (i) Service Provider delivering Non-Specification Gas at a Delivery Point to an Other User; or
 - (ii) damage to any part of the Pipeline.
- (b) If Non-Specification Gas is supplied into the Pipeline by User, Service Provider:
 - (i) may direct User to restrict or terminate supplies of Non-Specification Gas into the Pipeline and, if a direction is given User must comply with it;
 - (ii) may (if necessary and possible) itself restrict or terminate supplies of Non-Specification Gas into the Pipeline System; and
 - (iii) will, if there is no other practical means of addressing the matter, vent or flare Gas to remove any or all of the Non-Specification Gas.
- (c) If Gas is vented or flared by Service Provider pursuant to clause 15.2(b)(iii):
 - (i) the total quantity of Gas vented or flared (including any Gas meeting the Gas Specification):
 - (A) will be deemed not to have been received into the Pipeline; and
 - (B) will be to the account of User (unless the Non-Specification Gas was supplied into the Pipeline by User and by one or more Other Users, in which case the total quantity of Gas vented or flared will be pro-rated amongst those persons on the basis of their respective scheduled receipt quantities at the relevant Receipt Point); and
 - (ii) User must, as soon as reasonably practicable after being notified of that venting or flaring, supply at the relevant Receipt Point a quantity of Gas conforming with the Gas Specification equal to the quantity of vented or flared Gas that is to the account of User.

15.3 Gas Quality at Delivery Point

If on a Day User supplies Gas into the Pipeline System that conforms to the Gas Specification, then Service Provider will on that Day deliver Gas to User that conforms with the Gas Specification.

15.4 Notification by User

- (a) As soon as possible after User becomes aware that any gas to be supplied at a Receipt Point is, or may be, Non-Specification Gas, User must notify Service Provider of that fact by telephone, and then in writing.
- (b) The written notice under clause 15.4(a) must set out:
 - (i) the extent to which the Gas to be supplied at the Receipt Point does not, or may not, meet the Gas Specification; and
 - (ii) the expected incidence and duration of the delivery, and expected quantity, of Off-Specification Gas.

15.5 Failure to conform

- (a) This clause 15.5 applies if Non-Specification Gas is tendered by User for receipt at a Receipt Point.
- (b) User must in its notice referred to in clause 15.4(a), notify Service Provider whether User requests Service Provider to receive all or any portion of the Non-Specification Gas tendered for receipt by User at the Receipt Point.
- (c) Despite any request made by User under clause 15.5(b), Service Provider is entitled to refuse to receive all or any portion of the Non-Specification Gas tendered for receipt.
- (d) If User requests Service Provider to receive Non-Specification Gas under clause 15.5(b), Service Provider must advise User within 2 hours of the notice being received by Service Provider whether it will accept all or any portion of the Non-Specification Gas tendered for receipt.
- (e) If Service Provider agrees, under clause 15.5(d), to receive Non-Specification Gas tendered for receipt, that is only an agreement to accept Gas which varies from the Gas Specification to the extent described in the notice given by User under clause 15.4(b).
- (f) Despite clause 15.5(e), Service Provider may, at any time, refuse to continue receiving Non-Specification Gas tendered for receipt.
- (g) At any time:
 - (i) prior to consenting to accept any Non-Specification Gas tendered for receipt; and
 - (ii) after it has refused to receive, or refused to continue to receive, any Non-Specification Gas tendered for receipt in accordance with clause 15.5(d),Service Provider may, without liability to User (including without liability to account to User for the value of the Gas vented), vent any or all of the Non-Specification Gas.
- (h) If Non-Specification Gas is tendered for receipt by User without the consent of Service Provider, then User:
 - (i) will be responsible for any loss, cost, damage or expense or liability suffered or incurred by Service Provider to the extent that it results from the receipt, transportation or delivery of that Non-Specification Gas by Service Provider (**Resulting Loss**); and
 - (ii) indemnifies and holds Service Provider harmless from and against any Resulting Loss.

In this context only:

- (iii) clause 29 does not operate to prevent Service Provider recovering from User any loss or damage comprising damages payable by Service Provider to an Other User for loss or damage suffered or incurred by that Other User to the extent it results from the receipt, transportation or delivery of the Non-Specification Gas by Service Provider (**Other User Loss**); and
- (iv) any amounts payable by User to Service Provider under this clause 15.5(h) with respect to an Other User Loss will be limited to the Direct Losses incurred by that Other User, and User will not be liable for any Consequential Losses suffered or incurred by that Other User.

15.6 Returning Non-Specification Gas to Gas Specification

As soon as reasonably practicable after User becomes aware that a quantity of Non-Specification Gas has been, or will be, tendered for receipt at a Receipt Point, User must ensure that any future Gas it tenders is within the Gas Specification, whether or not Service Provider has agreed to accept the Non-Specification Gas that has been or will be tendered.

15.7 Odourisation

- (a) Service Provider has no obligation to odourise Gas delivered to User nor to maintain any odourant level.
- (b) If Service Provider is required by law to odourise Gas, User must reimburse Service Provider for all reasonable costs incurred by Service Provider in odourising Gas delivered to User.

16. Maintenance and curtailment

16.1 Obligations

Service Provider will operate and maintain the Pipeline:

- (a) as a Reasonable and Prudent operator;
- (b) so as to provide the Service(s) to User in accordance with this Agreement; and
- (c) to enable Service Provider and User to exercise their respective rights, and to meet their respective obligations, under this Agreement.

16.2 Maintenance Operations

Service Provider will arrange for all maintenance, repairs, testing, adding to, altering, replacing or cleaning of the Pipeline that affects, or are likely to affect, Capacity (**Maintenance Operations**) to be carried out at such times as would a Reasonable and Prudent operator.

16.3 Interruptions

- (a) Without limiting clause 4.1(c)(ii) or clause 4.2(c)(ii), Service Provider may interrupt or curtail (even to zero) any Service without incurring any liability to User to the extent that the interruption or curtailment occurs:
 - (i) due to an emergency or steps taken to protect the operational integrity and safe operation of the Pipeline or any Metering Equipment;
 - (ii) to comply with any applicable laws or regulations;
 - (iii) during, or as a result of, Force Majeure; and
 - (iv) due to failure of, or repairs, testing, alteration or maintenance being undertaken in respect of the Pipeline or any Metering Equipment (whether as a result of human error or otherwise).
- (b) As soon as practicable after Service Provider becomes aware that it cannot, or may be unable to, maintain provision of a Service in accordance with this Agreement, it will notify User.

17. Charges

17.1 Charges

Each Month, User must pay to Service Provider:

- (a) the charges that relate to a Service that was provided during that Month, as set out in, or determined in accordance with, the Commercial Terms Schedule for that Service;
- (b) the Imbalance Charge (if any) that relates to that Month; and
- (c) the Unauthorised Overrun Charge (if any) that relates to that Month.

17.2 CPI adjustment

- (a) Each of:

- (i) the rates set out in a Commercial Terms Schedule;
- (ii) the Imbalance Charge Rate; and
- (iii) the Unauthorised Overrun Charge Rate,

will be adjusted on 1 January of each calendar year (commencing in the year set out in the relevant Commercial Terms Schedule) by multiplying them by the Escalation Factor for that year, and the adjusted rates will then apply on and from that date until again adjusted under this clause 17.2.

- (b) The **Escalation Factor** for a year is calculated as:

$$1 + [(CPI_a - CPI_b) / CPI_b]$$

where:

- (i) **CPI_a** means CPI in respect of the September quarter immediately preceding the relevant adjustment date;
- (ii) **CPI_b** means CPI in respect of the September quarter that is 12 months before the quarter to which CPI_a relates;
- (iii) if CPI_a is less than CPI_b, then (CPI_a-CPI_b / CPI_b) is deemed to be zero; and
- (iv) **CPI** means the consumer price index (weighted average for 8 capital cities, all groups) published from time to time by the Australian Bureau of Statistics or if that index is suspended or discontinued or if the basis of assessment is changed so that it no longer accurately reflects changes in the prevailing levels of prices substantially in the same manner as it did prior to the change in basis, then an alternative index that reflects movements in the cost of living in all of the capital cities of Australia will be selected by Service Provider and substituted for the relevant index for the period of the suspension or, in the case of a discontinuance of the CPI or a material alteration in its calculation, on a permanent basis and the calculation of the adjustments to be made under clause 17.1 will be made using such alternative index as though it was the CPI.

18. GST

18.1 GST Exclusive

Except where express provision is made to the contrary, any consideration payable under any other provision in this Agreement is, and a reference to a dollar amount is a reference to the amount, exclusive of GST.

18.2 Payment of GST

Notwithstanding any other provision in this Agreement, if the Supplier is or becomes liable to pay GST in connection with any Supply made under this Agreement:

- (a) the Recipient must pay to the Supplier, in addition to the Agreement Price, an additional amount in account of **GST** equal to the **consideration** in respect of the **taxable supply** multiplied by the rate of goods and services tax;
- (b) the Recipient must pay the Agreement Price plus the additional amount on account of **GST** within 14 days of receiving a **tax invoice** from the Supplier for that Supply or as otherwise provided in this Agreement;
- (c) If the **GST** payable in relation to a Supply made under or in connection with this Agreement varies from the additional amount paid or payable by the Recipient under paragraph (a) such that a further amount of **GST** is payable in relation to the Supply or a refund or credit of **GST** is obtained in relation to the Supply, then the Supplier will provide a corresponding refund or credit to, or will be entitled to receive the amount of that variation from, the Recipient. Any payment, credit or refund under this paragraph is deemed to be a payment, credit or refund of the additional amount payable under paragraph (a). If an **adjustment event** occurs in relation to a Supply, the Supplier must issue an **adjustment note** to the Recipient in relation to that Supply within 14 days after becoming aware of the adjustment; and

- (d) where a Party reimburses the other Party for an expense or other amount incurred in connection with any wholly or partly **creditable acquisition** or any wholly or partly **creditable importation** made by that other Party, the amount reimbursed will be net of any **input tax credit** claimable in respect of that acquisition or importation (as the case may be).

18.3 Definitions

In this clause, all italicised and emboldened terms, have the same meaning as in *A New Tax System (Goods and Services Tax) Act 1999* and in the **GST Law**. In addition:

- (a) **Agreement Price** means the **consideration** to be provided under this Agreement for the Supply (other than under this clause);
- (b) **Recipient** means the Party that receives the Supply from the Supplier;
- (c) **Supplier** means the Party that provides the Supply to the Recipient and includes the **representative member** of the **GST group** if the Supplier is a member of a **GST group**; and
- (d) **Supply** means any **supply** to the Recipient by the Supplier pursuant to this Agreement. However, if the **GST law** treats part of a **supply** as a separate **supply** for the purpose of determining whether **GST** is payable on that part of the **supply** or for the purpose of determining the tax period to which that part of the **supply** will be attributable, such part of the **supply** will be treated as a separate **supply** for the purposes of this clause.

19. Invoicing and Payment

19.1 Invoicing

By the 10th day of each Month, Service Provider will provide to User a tax invoice specifying:

- (a) the amounts due for all Services supplied to User in accordance with this Agreement in the preceding Month; and
- (b) the amounts due to Service Provider.

19.2 Payment

- (a) User must pay each invoice within 5 Business Days after the receipt by User of Service Provider's tax invoice, or by the 24th day of the Month in which the tax invoice was sent, whichever is the later.
- (b) For clarity, an event of Force Majeure will not affect User's obligation to pay any amount properly due in accordance with the terms of this Agreement.

19.3 Dispute

If User, in good faith, disputes part or all of an invoiced amount:

- (a) User must, within 5 Business Days after receipt of the invoice, notify Service Provider in writing specifying the amount in dispute and the reasons for the dispute;
- (b) User must pay the amount invoiced;
- (c) the Parties must each appoint an officer to meet with each other to try to resolve the dispute; and
- (d) if the officers are unable to resolve the dispute within 5 Business Days, then either Party may refer the matter for dispute resolution in accordance with clause 26 of this Agreement.

19.4 Interest on Disputed or Incorrect Amount

If, as a result of the resolution of a dispute of the nature described in clause 19.3, either Party has an obligation to pay an amount to the other Party, the amount must be paid within 10 Business Days after the dispute has either been resolved or determined pursuant to clause 19.3, together with interest on that amount calculated on a daily basis at the Interest Rate from:

- (a) in the case of User, the date the amount should have been paid in accordance with this clause 19; or

- (b) in the case of Service Provider, the date Service Provider received the payment from User.

20. Insurance

20.1 Obligation

User must obtain and maintain, throughout the Term, with reputable and creditworthy insurers, public and products liability insurance with a limit of liability of \$20 million per incident and, in respect of products liability, for any 12 month period.

20.2 Evidence and additional insureds

- (a) User must provide a certificate of currency in respect of such insurance within 10 Business Days of request.
- (b) The insurance must include each of the BassGas Joint Venture Parties as additional insured parties.

21. Change of Law

21.1 Adjustment of Charges

To the extent that a Change of Law directly or indirectly:

- (a) affects the costs of Service Provider in respect of the goods, services or other things supplied or provided under or in connection with this Agreement or incurred by Service Provider (or a Related Body Corporate of Service Provider) to enable it to acquire or dispose of, or as a result of Service Provider acquiring or disposing of, such goods or services or goods or services of that type, including direct and indirect costs in respect of production, creation, performance, acquisition, supply or sale of such goods, services or other things; or
- (b) leads to a change in the benefits gained by Service Provider from the activities described in paragraph (a) above (except by operation of this clause),

and the increase or decrease in those amounts or that change in benefit is not to be reimbursed under any other provision of this Agreement, User must reimburse to Service Provider, or (as the case may be) Service Provider must reimburse to User, the amount of the increase or decrease or the change in benefit, as the case may be, attributable to the Change of Law.

21.2 Effective date

Any variation to costs or changes in benefits under clause 21.1 will be effective as from the date of any Change of Law.

21.3 Notification

Service Provider must notify User in writing of any amounts to be reimbursed under clause 21.1 as soon as practicable.

22. Prudential requirements

22.1 Application

This clause 22 applies if:

- (a) at the Execution Date, User does not have a long term senior unsecured debt rating of at least "BBB-" by Standard & Poor's or an equivalent rating from another internationally recognised rating agency (**Minimum Credit Rating**); or
- (b) User does have the Minimum Credit Rating at the Execution Date, but subsequently ceases to have the Minimum Credit Rating.

22.2 Security

If this clause 22 applies then Service Provider may request User to provide (at User's option):

- (a) an irrevocable demand guarantee issued on terms and by a bank or other financial institution acceptable to Service Provider;

- (b) an irrevocable letter of credit satisfactory to Service Provider, acting reasonably; or
- (c) some other form of prudential assurance satisfactory to Service Provider,

(each a **Security**) for a sum equal to Service Provider's assessment of the total amount of charges that are likely to be incurred by User under this Agreement in relation to the provision of Services in any period of 3 Months (**Security Amount**).

22.3 Replacement of Security

If Service Provider applies the whole or any part of a Security under clause 22.5, then:

- (a) User must, within 10 Business Days after that has occurred, provide Service Provider with a replacement Security (**Replacement Security**) for the Security Amount; and
- (b) upon receipt of that Replacement Security, Service Provider will return to User the Security being replaced.

22.4 Failure to provide

If User does not provide Service Provider with:

- (a) Security within 10 Business Days of Service Provider's request made in accordance with clause 22.2; or
- (b) a Replacement Security in accordance with clause 22.3(a),

Service Provider may suspend the performance of any and all of its obligations under this Agreement until User has provided the requested Security or Replacement Security.

22.5 Application of Security

If User fails to pay Service Provider:

- (a) any amount due and payable under this Agreement within the time provided under this Agreement; or
- (b) any amount due and payable following the resolution of a Dispute pursuant to clause 26,

Service Provider may apply the Security or Replacement Security (as applicable) in satisfaction of the outstanding payment obligation.

22.6 Return

- (a) Service Provider will return all or any part of a Security or Replacement Security (as applicable) provided by User if the circumstances that resulted in Service Provider being entitled to request the Security, or to be provided with the Replacement Security, no longer exist.
- (b) If at the end of the Term all or any part of a Security or Replacement Security has not been applied by Service Provider to meet User's payment obligations under this Agreement, then Service Provider will promptly return the Security or Replacement Security to User.

23. Control and possession of Gas

23.1 Control and Possession

As between Service Provider and User:

- (a) User will be deemed to be in control and possession of Gas prior to its supply to Service Provider at a Receipt Point and after the delivery of Gas by Service Provider to User at Delivery Point; and
- (b) Service Provider will be deemed to be in control and possession of Gas following its receipt from User at a Receipt Point and prior to delivery of Gas to User at the Delivery Point.

23.2 Co-mingling of Gas

Service Provider will be entitled to co-mingle Gas received from User with Gas from Other Users and to deliver different Gas molecules to User.

23.3 Line pack

User acknowledges and agrees that the line pack in the Pipeline from time to time is the property of Service Provider.

24. Warranty of title to Gas

24.1 Warranty

User warrants that:

- (a) at the time of supply of Gas to Service Provider at a Receipt Point, the Gas is free from any liens, encumbrances and claims of any nature inconsistent with Service Provider's operation of the Pipeline;
- (b) it has good title to, and the right to supply, that Gas at a Receipt Point for transportation by Service Provider under this Agreement; and
- (c) it has full power and authority to enter into this Agreement.

24.2 Indemnity

User will indemnify Service Provider and save it harmless from any loss, cost, damage, expense or liability arising from or out of any adverse claim of title to the Gas referred to in this clause 24.2.

24.3 Title to Gas

Except for System Use Gas, title to Gas received by Service Provider at a Receipt Point will not pass to Service Provider.

25. Force Majeure

25.1 Consequences of Force Majeure

- (a) Subject to clauses 25.1(b) and 25.2, non-performance as a result of Force Majeure by Service Provider of any obligation or condition required by this Agreement to be performed by it:
 - (i) will be excused during the time and to the extent that such performance is prevented, wholly or in part, by Force Majeure; and
 - (ii) will not to that extent give rise to any liability to User for any Direct Losses, Consequential Losses, or any other losses or damages of any kind arising out of, or in any way connected with that non-performance.
- (b) An existing obligation to pay money will not be suspended or excused by Force Majeure.

25.2 Notification of Force Majeure

If Service Provider is, by reason of Force Majeure, unable to perform an obligation or condition required by this Agreement to be performed, it will:

- (a) notify User as soon as possible giving:
 - (i) reasonably full particulars of the event or circumstances of Force Majeure;
 - (ii) the date of commencement of the event or circumstance and an estimate of the period of time required to enable it to resume full performance of its obligations; and
 - (iii) where possible, the means proposed to be adopted to remedy or abate the Force Majeure;
- (b) use reasonable diligence and employ reasonable means to remedy or abate the Force Majeure as expeditiously as possible, but nothing in this clause 25 will require Service Provider to settle a strike, lockout, ban, slowdown or other industrial disturbance against its judgment, and it is acknowledged that settlement of any such disturbance will be entirely within the discretion of Service Provider;
- (c) resume performance as expeditiously as possible after termination of the Force Majeure or after the Force Majeure has abated to an extent which permits resumption of performance;

- (d) notify User when the Force Majeure has terminated or abated to an extent which permits resumption of performance to occur; and
- (e) notify User when resumption of performance has occurred.

26. Resolution of Disputes

26.1 Disputes

- (a) Subject to clause 19.3, if any dispute, controversy or claim arises between the Parties out of or in connection with this Agreement, including any question regarding its existence, validity or termination (**Dispute**) and a Party wishes to initiate a resolution of the Dispute, that Party must give a notice of Dispute to the other Party, in which event:
 - (i) each Party must nominate one of its senior managers or executives to meet with a senior manager or executive of the other Party in an attempt to resolve the Dispute;
 - (ii) the senior managers or executives must use all reasonable endeavours to resolve the Dispute within a period of 10 Business Days after the notice of the Dispute was given; and
 - (iii) if the Dispute remains unresolved at the end of the period referred to in clause 26.1(a)(ii), and the Dispute:
 - (A) is a Technical Matter or a Financial Matter (as those expressions are defined in clause 26.2), then either Party may give notice to the other Party within 5 Business Days that it requires the Dispute to be determined by an independent expert (**Independent Expert**) in accordance with clauses 26.3 to 26.8; or
 - (B) is not a Technical Matter or a Financial Matter, then either Party will be at liberty to institute legal proceedings if they think fit.
- (b) The Parties must use reasonable endeavours to resolve a Dispute under this clause 26.

26.2 Technical and Financial Matters

For the purposes of this clause 26:

- (a) a **Technical Matter** means a matter involving issues relating to the provision of transportation services under this Agreement which is capable of determination by reference to engineering or scientific knowledge and practice; and
- (b) a **Financial Matter** means a matter involving financial calculations which is capable of determination by audit or reference to accounting practices.

26.3 Appointment of Independent Expert

If a Dispute is referred to an Independent Expert, then the procedures for the appointment of an Independent Expert will be as follows:

- (a) the Party wishing to have the issue determined must give notice to that effect to the other Party specifying the nature of the Dispute; and
- (b) the Parties will meet in an endeavour to agree upon the identity of the Independent Expert to be appointed, but, if they are unable to agree upon the identity of the Independent Expert within 10 Business Days of the notice referred to in clause 26.3(a), either Party may refer the notice and a copy of this clause 26:
 - (i) if or to the extent it is a Technical Matter, to the President for the time being of Engineers Australia (or his or her nominee); or
 - (ii) if or to the extent it is a Financial Matter, to the Chief Executive Officer for the time being of The Institute of Arbitrators & Mediators Australia (or his or her delegate); or
 - (iii) in either case, if the relevant body referred to in clause 26.3(b)(i) or clause 26.3(b)(ii) no longer exists, to the President (or his or her delegate) for the time

being of such successor body or association as is then performing the function formerly carried out by the relevant body,

together with a request for the nomination of a suitably qualified person to act as the Independent Expert to determine the Dispute.

26.4 Expert not an Arbitrator

The Independent Expert appointed under clause 26.3 will act as an expert and not as an arbitrator.

26.5 Evidence and Representation

- (a) Each Party:
- (i) may be legally represented at any hearing before the Independent Expert;
 - (ii) is entitled to produce to the Independent Expert any materials or evidence which that Party believes is relevant to the matter in dispute;
 - (iii) must make available to the Independent Expert all materials requested by the Independent Expert and all other materials which are relevant to the Independent Expert's determination.
- (b) Unless otherwise agreed by all Parties, all material and evidence made available for the purposes of the determination must be kept private and confidential.

26.6 Determination

The Independent Expert will make a determination on the issue in Dispute and will determine what, if any, adjustments may be necessary between the Parties. A determination of the Independent Expert:

- (a) must be in writing;
- (b) is final and binding upon the Parties in the absence of manifest error by the Independent Expert; and
- (c) must be kept private and confidential unless otherwise agreed to by all Parties involved in the determination.

26.7 Costs

The costs in relation to a determination by the Independent Expert will be dealt with as follows:

- (a) the costs of the Independent Expert will, be borne in equal shares by the Parties;
- (b) the Parties must each bear their own costs incurred in the preparation and presentation of any submissions or evidence to the Independent Expert; and
- (c) the Parties must share the costs of the Independent Expert equally.

26.8 Qualifications of Independent Expert

An Independent Expert appointed under clause 26.3 must not (otherwise than by agreement) be a current employee or officer of a Party or a Related Body Corporate of a Party or have been an employee or officer or contractor or consultant to a Party during the 4 years immediately preceding the Parties' agreement to refer a dispute to an Independent Expert.

26.9 Urgent Relief

This clause 26 does not prevent either Party from seeking urgent injunctive or declaratory relief in relation to a Dispute.

26.10 Fulfilment of obligations

The Parties will continue to fulfil their obligations under this Agreement while a Dispute is being determined in accordance with this clause 26.

27. Default and termination

27.1 Default by User

An Event of Default by User occurs when:

- (a) a Solvency Default occurs in relation to User;
- (b) User fails to pay any amount due to Service Provider and that amount, plus interest accrued at the Interest Rate plus 2% per annum, is still outstanding 10 Business Days after the date of User's receipt of notice of the outstanding amount from Service Provider (**Payment Default**); or
- (c) User defaults in performance of a material obligation (other than a Payment Default) under this Agreement (**Other Default**) and, where the Default is capable of being remedied, does not remedy the Default within a period of 20 Business Days from the date of User's receipt of notice from Service Provider requiring the Default to be remedied.

27.2 Rights of Service Provider

If an Event of Default by User occurs, Service Provider may, by notice to User:

- (a) suspend the Service(s) until (as the case may be):
 - (i) the Solvency Default has been removed or rectified;
 - (ii) the Payment Default has been remedied;
 - (iii) the Other Default has been remedied; and/or
- (b) terminate this Agreement with immediate effect.

27.3 Continuation of payment obligations

If Service Provider elects to suspend the Service(s) under clause 27.2, User will not be relieved of any of its obligations to make payments under this Agreement in respect of the Service(s) performed prior to the suspension.

27.4 Rights of User

If Service Provider:

- (a) fails to pay any amount due and payable to User under this Agreement and that amount, plus interest accrued at the Interest Rate plus 2% per annum, is still outstanding 10 Business Days after the date of Service Provider's receipt of notice of demand from User; or
- (b) otherwise defaults in performance of a material obligation under this Agreement and does not remedy that default within a period of 20 Business Days from the date of Service Provider's receipt of notice from User requiring the default to be remedied,

User may, by notice to Service Provider, terminate this Agreement, or suspend the operation of this Agreement until the relevant default or failure has been rectified.

27.5 Other rights and remedies

The rights and remedies described in clauses 27.2 and 27.4 are in addition to any other rights and remedies available to the Parties whether in law, in equity or otherwise.

27.6 Prior rights

Termination of this Agreement will not prejudice the rights of either Party that have accrued prior to the date of termination.

28. Confidentiality and publicity

28.1 Restrictions on Disclosure

- (a) Unless otherwise agreed by the Parties, all information obtained by any Party orally or in writing or electronic form relating in any way, directly or indirectly, to this Agreement, including:
 - (i) all data and information disclosed by a Party to any other Party pursuant to this Agreement; and
 - (ii) all proceedings, pleadings, discovered documents, witness statements and other evidence and submissions concerning the resolution of a dispute under clause 26,

which is not in the public domain (or which is in the public domain, but only as a consequence of a breach of this clause 28), must be kept confidential and must not be disclosed by the Parties otherwise than to each other or:

- (iii) to a Related Body Corporate or its officers, employees or agents, in each case to the extent required to enable such Party to perform its obligations under this Agreement (in the case of disclosure under this clause, the disclosing Party must use all reasonable endeavours to ensure that the person to whom disclosure is made does not do or omit to do anything which, if it were a Party, would constitute a breach of this clause 28 and must enforce any legal rights which it may have against any such person to prevent such person from doing or omitting to do any such thing);
 - (iv) if and to the extent required by any applicable legislation or other legal requirement or by the rules or regulations of a recognised stock exchange or regulatory authority applicable to the disclosing Party or any of its Related Bodies Corporate or pursuant to any order of court or other competent authority or tribunal;
 - (v) if and to the extent required pursuant to any price review process applicable to the disclosing Party or any of its Related Bodies Corporate;
 - (vi) to a recognised, independent, professional institution (and its profession employees) in connection with any gas market price test;
 - (vii) if and to the extent that it may be necessary or desirable to disclose it to any Government Agency or other competent authority in connection with applications for consents, approvals, or authorities in relation to this Agreement;
 - (viii) to a recognised financial institution (and its professional advisers) in connection with any finance sought to be arranged by the disclosing Party;
 - (ix) to an existing financier of a Party, or to a proposed bona fide assignee, transferee or sub-participant of such financier;
 - (x) to the agent, security trustee or a potential credit swap counterparty of a financier to a Party;
 - (xi) to bona fide potential purchasers, transferees or assignees of a Party's interest under this Agreement;
 - (xii) to bona fide potential purchasers of a holding company of a Party;
 - (xiii) to independent consultants, professional advisers, contractors and employees of a Party, whose duties reasonably require such disclosure;
 - (xiv) in the case of Service Provider, to any bona fide potential purchaser of an interest in the Pipeline;
 - (xv) to professional advisers of a Party who are bound to such Party by a duty of confidence which applies to any information disclosed.
- (b) Any disclosure pursuant to clause 28.1(a), (other than sub-clauses (iv), (v), (vi) or (vii) and disclosure to professional advisers under sub-clause (xiii) to the extent that the professional adviser has a professional obligation of confidence with respect to such information), may only be made subject to the person to whom disclosure is made executing a written confidentiality undertaking to keep the information contained in the disclosure confidential on terms materially consistent with this clause 28.

28.2 Public Announcements and Statements

No Party may make any public announcement or statement regarding this Agreement, except as follows:

- (a) announcements or statements to a recognised stock exchange;
- (b) announcements or statements which are required to be made by law;
- (c) announcements or statements which contain only information which is in the public domain; or

- (d) excluding announcements or statements made in accordance with clause 28.2(a), 28.2(b) or 28.2(c), announcements and statements which have been:
 - (i) provided in draft to the other Party for review and comment; and
 - (ii) issued only, with the prior written consent of the other Party, such consent not to be unreasonably withheld.

28.3 Continuing Effect

The provisions of this clause 28 continue to bind a Party for a period of 1 year after the expiration or termination of this Agreement.

29. Liability

29.1 Direct Losses

Subject to clause 29.2(a), the liability of each Party to the other for any Claim will be limited to the Direct Losses that are caused by the relevant breach or cause of action.

29.2 Exceptions

- (a) The limitation of Liability in clause 29.1 does not apply to or otherwise limit:
 - (i) User's indemnity in favour of Service Provider in clause 15.5(h); or
 - (ii) the liability of a Party to the extent that the liability results from any fraud or Wilful Misconduct of that Party or its employees or agents.
- (b) Notwithstanding any other provision of this Agreement, Service Provider's liability in any calendar year arising out of or in any way connected with this Agreement or any Claim by User in connection with this Agreement will not exceed the Capped Amount provided that this limitation will not apply:
 - (i) to any obligation of Service Provider to reimburse or pay an amount to User under the express terms of this Agreement; or
 - (ii) in respect of any fraud or Wilful Misconduct by Service Provider or its employees or agents.

30. Notices

30.1 In writing

- (a) Except as otherwise provided in this Agreement, any notice or invoice issued under this Agreement must be:
 - (i) in writing and signed by a person duly authorised by the sender; and
 - (ii) hand delivered or sent by prepaid post or email to the recipient's address or email address specified in clause 30.2, as varied by any notice given by the recipient to the sender.
- (b) A Notice or invoice issued in accordance with clause 30.1(a) will be taken to be received:
 - (i) if hand delivered, on delivery;
 - (ii) if sent by prepaid post, on the second Business Day after the date of posting (or on the seventh Business Day after the date of posting if posted to or from a place outside Australia);
 - (iii) if sent by email, when the sender has received a confirmation email from the addressee of the original email (provided that an auto-generated reply from the addressee will not constitute such a confirmation);

but if the delivery, receipt or transmission is not on a Business Day or is after 1700 hours (local time) on a Business Day in the place of receipt, the notice is taken to be received at 0900 hours (local time) on the next Business Day in the place of receipt.

30.2 Addresses

Unless changed, the Parties' address and other contact details for notices under this Agreement are:

- (a) in the case of Service Provider, as follows

Non-operational notices

Beach Energy (Operations) Limited
Level 8, 80 Flinders Street, Adelaide, South Australia 5000
Attention: General Manager Commercial and Marketing
Telephone: 08 8338 2833
Email: commercial@beachenergy.com.au

Operational notices

Beach Energy (Operations) Limited
Level 8, 80 Flinders Street, Adelaide, South Australia 5000
Attention: Commercial Manager
Telephone: 03 9110 2190
Email: commercialopsvictoria@beachenergy.com.au

- (b) in the case of User:

Non-operational notices

[User name]

[address]

Attention: [insert]

Telephone: [insert]

Email: [insert]

Operational notices

[User name]

[address]

Attention: [insert]

Telephone: [insert]

Email: [insert]

31. Assignment

31.1 Assignment by Service Provider – transfer of Pipeline

If Service Provider transfers ownership of the Pipeline to another person (**Transferee**), Service Provider and User must do all things within their power to vest the future rights and obligations of Service Provider under this Agreement in the Transferee and, to that end, each of them must, execute a deed of assignment and assumption under which:

- (a) Service Provider assigns to the Transferee those of its rights under this Agreement which will accrue after the date of assignment (**Remaining Rights**);
- (b) the Transferee covenants with User to observe and perform all of Service Provider's obligations under this Agreement which remain to be performed, or which will accrue, after the date of assignment (**Remaining Obligations**); and

- (c) Service Provider is released from the Remaining Obligations.

31.2 Assignment by Service Provider – other circumstances

- (a) Subject to clause 31.1, Service Provider may not assign or transfer its rights or obligations under this Agreement without the prior written consent of User, which consent may not be unreasonably withheld or delayed.
- (b) Service Provider must ensure that any permitted assignee:
 - (i) is a reputable and solvent company with the technical capacity to perform the assigned obligations; and
 - (ii) enters into a deed of assignment and assumption in a form reasonably required by User, under which the assignee covenants with User to observe and perform the assigned obligations.
- (c) The deed of assignment and assumption will release Service Provider from all obligations under this Agreement which accrue after the date of the assignment specified in that deed.

31.3 Assignment by User

- (a) User may not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of Service Provider, which consent may not be unreasonably withheld or delayed.
- (b) Without limiting clause 31.3(a), User must ensure that any permitted assignee:
 - (i) is a reputable and solvent company with the technical and financial capacity to perform the assigned obligations; and
 - (ii) enters into a deed of assignment and assumption in a form reasonably required by Service Provider, under which the assignee covenants with Service Provider to observe and perform the assigned obligations.
- (c) The deed of assignment and assumption under clause 31.3(b) will release User from all obligations under this Agreement which accrue after the date of the assignment specified in that deed.

31.4 Assignment as security

Nothing contained in this clause 31 will prevent any Party from pledging, mortgaging or assigning its rights under this Agreement as security for its indebtedness and either Party may assign to the pledgee or mortgagee (or to a trustee for the holder of such indebtedness) any money due or to become due under this Agreement; provided that the pledgee, mortgagee or assignee enters into a deed with the non-assigning Party, which is reasonably satisfactory to the non-assigning Party, to observe and be bound by the provisions of this Agreement as if it were a Party to this Agreement.

32. General

32.1 Governing law and jurisdiction

- (a) This Agreement is governed by the law in force in the State of Victoria.
- (b) Each Party irrevocably submits to the nonexclusive jurisdiction of courts exercising jurisdiction in the State of Victoria and courts of appeal from them in respect of any proceedings arising out of or in connection with this Agreement.

32.2 Invalidity and enforceability

If any provision of this Agreement is invalid under the law of any jurisdiction the provision is enforceable in that jurisdiction to the extent that it is not invalid, whether it is in severable terms or not.

32.3 Waiver

No Party may rely on the words or conduct of the other Party as a waiver of any right unless the waiver is in writing and signed by the Party granting the waiver.

32.4 Variation

A variation of any term of this Agreement must be in writing and signed by the Parties.

32.5 Costs

Each Party must pay its own costs and expenses in respect of the negotiation, preparation, execution, delivery and registration of this Agreement and any other agreement or document entered into or signed pursuant to this Agreement.

32.6 Entire Agreement

This Agreement sets out all the express terms of the agreement between the Parties in respect of its subject matter. It supersedes all prior discussions, negotiations, understandings and agreements in respect of its subject matter.

32.7 No reliance

No Party has relied on any statement by any other Party not expressly included in this Agreement.

32.8 Counterparts

This Agreement may be executed in any number of counterparts which together will constitute one instrument. A Party may execute this Agreement by signing any counterpart.

32.9 Electronic execution

- (a) This Agreement may be executed by or on behalf of the Parties by affixing electronic signatures to this Agreement.
- (b) If executed by electronic method, an electronic copy of this Agreement duly executed by all Parties will be taken to be an original.

Schedule 1 – Measurement

1. Forward Haul Receipt Point and Forward Haul Delivery Point

The Parties acknowledge and agree that:

- (a) User is responsible for:
 - (i) ensuring that Gas received by Service Provider from User at the Forward Haul Receipt Point is measured using a fiscal quality meter (which is operated and maintained in accordance with all applicable laws and industry standards) at User's cost; and
 - (ii) providing details of all measured quantities at the Forward Haul Receipt Point to Service Provider at such time and frequency as reasonably requested by Service Provider;
- (b) Gas delivered at the Forward Haul Delivery Point by User will be measured, at Service Provider's cost, by the owner of the Victorian Transmission System which, at the Agreement Date, is APA VTS Australia (Operations) Pty Limited;
- (c) Service Provider is the sub-allocation agent (as that term is defined in Part 19 of the National Gas Rules) for injections into the Declared Wholesale Gas Market at the Forward Haul Delivery Point; and
- (d) the quantity of Gas allocated by Service Provider to User at the Forward Haul Delivery Point will be used by Service Provider for the purposes of this Agreement (including invoicing).

2. Back Haul Receipt Point and Back Haul Delivery Points

The Parties acknowledge and agree that:

- (a) Gas received into the Pipeline at the Back Haul Receipt Point will be measured, at Service Provider's cost, by the owner of the Victorian Transmission System which, at the Agreement Date, is APA VTS Australia (Operations) Pty Limited;
- (b) the allocation agent (as that term is defined in Part 19 the National Gas Rules) at the Back Haul Receipt Point, which, at the Agreement Date, is Australian Energy Market Operator, will allocate the Gas withdrawn from the Declared Wholesale Gas Market at the Back Haul Receipt Point;
- (c) User must take all actions necessary to ensure that all relevant allocation information at the Back Haul Receipt Point is provided to Service provider to enable it to perform its functions under this Agreement (including invoicing);
- (d) User is responsible for:
 - (i) ensuring that Gas delivered to User by Service Provider at a Back Haul Delivery Point is measured using a fiscal quality meter (which is operated and maintained in accordance with all applicable laws and industry standards) at User's cost; and
 - (ii) providing details of all measured quantities at a Back Haul Delivery Point to Service Provider at such time and frequency as reasonably requested by Service Provider; and
- (e) the quantity of Gas allocated by the allocation agent at a Back Haul Receipt Point will be used by Service Provider for the purposes of this Agreement (including invoicing).

3. Alternative measurement

If, at any time, in the opinion of Service Provider, measurement equipment has failed, or will or is likely to fail, to accurately record sufficient information to generate an accurate metered quantity, then an alternative measurement arrangement, as determined by Service Provider at its own discretion, but acting Reasonably and Prudently, will be applied.

Schedule 2 – Commercial Terms – Interruptible Forward Haul Service

1. **Service**

Interruptible Forward Haul Service

2. **Service Commencement Date**

The beginning of the Day commencing on [insert date].

3. **Service Termination Date**

The beginning of the Day commencing on [insert date].

4. **Charges**

All amounts below are expressed as at [insert date], exclude GST and are subject to annual adjustment in accordance with clause 17.2 commencing in [insert year].

Charge / Charge rate	Amount / Calculation	Payable
Interruptible Forward Haul Service Charge	Interruptible Forward Haul Service Charge Rate x \sum Quantity of Gas measured or determined as having been delivered to User on account of the Interruptible Forward Haul Service on each Day in the relevant Month	Monthly in arrears
Interruptible Forward Haul Service Charge Rate	[\$insert amount] per GJ	N/A

5. **Receipt Point**

Forward Haul Receipt Point

6. **Delivery Point**

Forward Haul Delivery Point

7. **MDQ**

[insert quantity] TJ per Day

8. **Special conditions**

[insert, if any]

Schedule 3 – Commercial Terms – Interruptible Back Haul Service

1. **Service**

Interruptible Back Haul Service

2. **Service Commencement Date**

The beginning of the Day commencing on [insert date].

3. **Service Termination Date**

The beginning of the Day commencing on [insert date].

4. **Charges**

All amounts below are expressed as at [insert date], exclude GST and are subject to annual adjustment in accordance with clause 17.2 commencing in [insert year].

Charge / Charge rate	Amount / Calculation	Payable
Interruptible Back Haul Service Charge	Interruptible Back Haul Service Charge Rate x Σ Quantity of Gas measured or determined as having been delivered to User on account of the Interruptible Back Haul Service on each Day in the relevant Month	Monthly in arrears
Interruptible Back Haul Service Charge Rate	[\$insert amount] per GJ	N/A

5. **Receipt Point(s)**

Back Haul Receipt Point

6. **Delivery Point(s)**

[insert description / name]

7. **MDQ**

[insert quantity] TJ per Day

8. **Special conditions**

[insert, if any]

Signing page

EXECUTED as an agreement

SIGNED for and on behalf of
Beach Energy (Operations) Limited ABN 66 007
845 338 by its authorised representative
in the presence of:

Signature of witness

Authorised representative

Executed by **[insert User name]** ABN **[insert number]** in accordance with Section 127 of the *Corporations Act 2001*

Signature of director

Signature of director/company secretary
(Please delete as applicable)

Name of director (print)

Name of director/company secretary (print)