

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation and Science Portfolio
2017 - 2018 Budget Estimates
31 May – 1 June 2017

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION AND SCIENCE

TOPIC: LNG Production Facilities considered to be common use infrastructure under part IIIA

REFERENCE: Questions on Notice (Hansard, 1 June 2017, page 111)

QUESTION No.: BI-60

Senator XENOPHON: Mr Wilson, I am grateful for that response. Just so I can get this clear, because this is a big deal, obviously, in terms of getting more gas flowing, that means that gas is not included, is that right?

Mr B Wilson: The LNG production facility.

Senator XENOPHON: So the production of gas is included but not the production of LNG.

Mr B Wilson: Yes.

Senator XENOPHON: Not the LNG production facility.

Mr B Wilson: No, it is the facility itself. Is that considered to be common use infrastructure? My understanding is that it is not, but, as the minister indicated, it is best if we seek clarification from ACCC and come back to you.

Senator Canavan: I have received some advice recently on this, so I might just assist, if that is okay. It is unlikely that those production facilities could be declared or covered by part IIIA. But, ultimately, my understanding is that that is a matter for the courts to interpret. We might take that on notice and give you some feedback on that.

ANSWER

The National Access Regime under Part IIIA of the Competition and Consumer Act 2010 is a generic access regime that provides mechanisms for access to infrastructure services.

In the gas sector, the National Gas Laws (NGL) set up a specific access regime dealing with access to gas 'pipelines' as defined in the NGL.

There is no Commonwealth legislation that provides a specific access regime for LNG facilities.