25 November 2026

Submission: Proposed changes to the WA Gas Access Funding Regulations and Local Provisions Regulations

The Australian Pipelines and Gas Association (APGA) represents the owners, operators, designers, constructors and service providers of Australia's pipeline infrastructure. Our members deliver more than 1,500 PJs of natural gas each year for domestic use and over 4,500 PJs for export markets, underpinned by the highest standards of safety, reliability and operational performance.

APGA welcomes the opportunity to provide feedback to the Western Australian Department of Energy and Economic Diversification (DEED) on the proposed changes to the Gas Access Funding Regulations and Local Provisions Regulations.

Overall APGA does not disagree with DEED's approach to update the charges and cost recovery framework in line with the Gas Pipelines Package *if it is adopted*. APGA does not support the proposal to adopt the Gas Pipelines Package without a commitment to amend certain sections of the package pertaining to scheme pipeline determination procedures (the 'Form of Regulation Review' process).

APGA generally takes the following principles regarding regulator fees and charges:

- Sharing cost recovery equally, rather than by RAB or length of pipeline, more appropriately and equitably reflects the division of the administrative task.
- Similarly, a 'causer pays' principle for cost recovery for regulatory functions and services is the most equitable approach.
- We agree that the ERA should continue to receive WA Government funding to undertake its functions, but this should be accompanied by transparency on costs.

To discuss any of this feedback further, please contact Catriona Rafael, Head of Policy, on [redacted] or [redacted]

Consultation questions

1. Which option (updated RAB values or equal share) best reflects the purpose of standing charges (i.e. funding common administrative oversight across the scheme pipelines) and why?	APGA supports an equal share approach. This reflects that the regulatory task does not differ depending on the size of the assets but rather the number of assets. Charges based on RAB would also be administratively complex and inefficient to manage.
2. Do you agree with the recommended option (Option 2 - Equal share) for allocating costs? Please provide your reasoning.	Yes. This is a more equitable option and would retain consistency with the proposed approach for non-scheme pipelines and Part 18A facilities. This will also be simpler to administer. Equal sharing should apply to costs of common regulatory administration. Where costs are reasonably attributable to a particular pipeline, facility or regulatory process, those costs should instead be recovered from the relevant party, consistent with a causer-pays principle.
3. Do you agree that the historical 50 per cent cap should not be retained? If you do not agree and consider that the 50 per cent cap should be retained, what policy objective would a cap serve and how should it be calculated and applied?	APGA has no view on this.
4. Do you support the proposed amendments to Schedule 2 of the Gas Access Funding Regulations to enable the recovery of ERA costs associated with the new and expanded regulatory functions under the Gas Pipelines Package from scheme pipelines? If not, how should these costs be recovered?	APGA has concerns with the Gas Pipelines Package itself in its current form. However, pending resolution of those issues APGA does not oppose the direction proposed by DEED to enable the recovery of ERA costs associated with the new and expanded regulatory functions under the Gas Pipelines Package for scheme pipelines. As noted above, recovery of these costs should be subject to appropriate transparency and should ensure that non-scheme pipelines only bear costs associated with their regulation.
5. Do you agree with the recommendation to adopt Model A of the 2020 consultation paper, modified to allocate costs equally across non-scheme pipelines? Please explain your reasoning, including whether you consider the approach to be fair, practical and transparent.	Yes. Allocating costs based on length of pipeline is inequitable and does not accurately represent the division of the regulatory task. The proposed approach to share common administrative costs equally across all non-scheme pipelines is transparent, simpler to administer and more equitable. Costs attributable to an individual pipeline should continue to be recovered from that pipeline.
6. Do you support the proposed amendments to Schedule 2 of the Gas Access Funding Regulations to enable the recovery of ERA costs associated with the new and expanded regulatory functions under the Gas Pipelines	APGA has concerns with the Gas Pipelines Package itself in its current form. However, pending resolution of those issues APGA does not oppose the direction proposed by DEED to enable the recovery of ERA costs associated

Package from non-scheme pipelines? If not, how should these costs be recovered?	with the new and expanded regulatory functions under the Gas Pipelines Package for non-scheme pipelines. As noted above, recovery of these costs should be subject to appropriate transparency and should ensure that non-scheme pipelines only bear costs associated with their regulation.
7. Do you agree with implementing a cost recovery framework for Part 18A facilities that is consistent with the approach adopted for scheme pipelines and proposed for non-scheme pipelines? If not, please explain your reasons.	Yes. APGA supports a consistent approach to cost recovery, while maintaining separate identification of costs between regulatory classes to avoid cross-subsidisation. Costs associated solely with administering Part 18A obligations should be recovered from Part 18A facilities rather than scheme or non-scheme pipelines.
8. Do you agree that the costs of administering Part 18A obligations should be shared equally among Part 18A facilities? If not, what alternative framework and/or cost allocation approach do you consider appropriate, and why?	Yes.
9. Do you agree that standing charges should be charged on a quarterly basis? If not, what alternative billing cycle should it be?	APGA has no view on this.
10. Do you have any concerns with aligning the cost allocation percentages of the Local Provisions Regulations with the Gas Access Funding Regulations, should either option be adopted? Please explain your response.	No, this is a reasonable approach.