
Evoenergy Curtailment Methodology

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Document History

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Contact details

If you have any questions regarding this Evoenergy Curtailment Methodology please contact JAM via rfs@jemena.com.au

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1. Background

Under the National Gas Rules¹, pipeline service providers (**service providers**) must prepare, publish and maintain a '*supplier curtailment methodology*' that:

- a) describes the circumstances in which the service provider may curtail the injection of covered Gas at a receipt point, and
- b) establishes a process for the curtailment of injections of covered Gas at receipt points.

Jemena Asset Management Pty Ltd (**JAM**), on behalf of Evoenergy, has prepared this *supplier curtailment methodology* (**curtailment methodology**) in respect of the operation of Receipt Points injecting **Gas** into the Gas **Distribution Network**.

For the purposes of this *curtailment methodology*, 'curtailment' is considered to be where action is taken to interrupt or reduce the flow of Gas through a Receipt Point, which may involve the imposition of a limit, restriction or suspension (wholly or partially) of the injection of Gas at the Receipt Point. This could be for example in response to an emergency or a specific threat to the reliability or quality of Gas supply.

This *curtailment methodology* provides guidance for parties that are connected (or intend to connect) to the Distribution Network via a Receipt Point (**Connecting Parties**), and parties that acquire (or intend to acquire) transportation services from Evoenergy under a Reference Service Agreement (**Users**).

While this *curtailment methodology* provides guidance on the circumstances where JAM, on behalf of Evoenergy, may curtail the injection of Gas into the Distribution Network, Connecting Parties and Users should also refer to any applicable Connection Agreement or Reference Service Agreement they have in effect with Evoenergy. The application of this *curtailment methodology* is subject to the terms and conditions of an applicable Connection Agreement or Haulage Service Agreement, and in the event of inconsistency the terms of the applicable Connection Agreement or Haulage Service Agreement will apply.

Definitions for terms used in this *curtailment methodology* are contained at section 5 below.

2. Curtailment Principles

JAM's approach to curtailment of Gas injection at Receipt Points and application of this *curtailment methodology* will be guided by the following principles (**'JAM curtailment principles'**):

- a) JAM recognises that the renewable Gas industry is evolving and this curtailment methodology will need to adapt to support the market for renewable Gas as that market continues to grow.
- b) JAM will not unfairly discriminate against Connecting Parties or Users, nor favour any of its associates.
- c) JAM supports the safe, quality, reliable supply of Gas to end-users.
- d) JAM will not compromise community safety and the safety of its workforce.
- e) JAM will not compromise the safety, integrity and reliability of the Distribution Network.

In operating the Distribution Network and making any decisions regarding curtailment JAM will comply with all Regulatory Requirements. JAM recognises that AEMO may have a role in making or directing curtailment decisions. JAM will comply with AEMO requirements for curtailment and any binding curtailment directions or requirements made under law.

This *curtailment methodology* outlines a number of circumstances where JAM may require the curtailment of Gas injection at Receipt Points, and sets out some of the procedures that apply in the event of curtailment.

While this *curtailment methodology* provides guidance it does not identify all the circumstances where JAM may need to curtail the injection of Gas at Receipt Points. Furthermore, the processes JAM adopts in respect of any curtailment event may depend on the nature and gravity of the circumstances. Accordingly, there may be reasons to depart from standard processes. This *curtailment methodology* should be read in conjunction

¹ See Rule 101B(2)(f)

with Evoenergy's Interconnection Policy (including Evoenergy's standard Receipt Point Interconnection Agreement). Parties should also refer to their Connection Agreement or Haulage Service Agreement (as applicable).

3. Curtailment Circumstances

This section sets out circumstances under which JAM, on behalf of Evoenergy, may curtail the receipt of Gas injection at a Receipt Point. It is not possible to be prescriptive about all the circumstances where it may be necessary for JAM to curtail the injection of Gas at a Receipt Point. Furthermore, other considerations may arise as the renewable Gas industry continues to evolve. In summary, JAM may curtail the injection of Gas at Receipt Points where JAM considers, any one or more of the following applies:

- a) the Gas being delivered or that may be delivered at a Receipt Point is outside Evoenergy's required gas **quality, temperature or pressure** specifications;
- b) the Gas present in the Distribution Network is outside Evoenergy's required Gas **quality, temperature or pressure** specifications, or in the absence of curtailment will fall outside these specifications;
- c) the loss of **access to signals** from Gas quality and quantity monitoring devices means that JAM considers it is unable to accurately measure or verify the quantity or quality of Gas being injected at a Receipt Point;
- d) in the absence of curtailment, Gas injected at a Receipt Point or present within the Distribution Network may breach the **Gas Blend Limits**²;
- e) the curtailment of Gas at a Receipt Point may assist with JAM's response to, or prevention of, an **emergency**, or prevent risk of injury or damage to any person or property (including the Distribution Network);
- f) that without curtailment, Evoenergy may operate in breach of any Regulatory Requirement, including any **Gas Specifications required by law**;
- g) that curtailment may assist with ensuring and maintaining **community safety**, the safety of JAM's workforce, the integrity and performance of end-user appliances, or the safety and integrity of the Distribution Network;
- h) where Evoenergy is required or entitled to curtail the injection of Gas under **the terms of a Connection Agreement or Haulage Service Agreement**, including under any applicable Operating Protocol or in relation to a force majeure event or failure of Connecting party or User to make payments under an applicable contract;
- i) where JAM requires a Connecting Party or User to curtail the injection of Gas for **operational reasons** (for example for JAM to carry out works, repairs, testing, replacement, upgrading or maintenance activities).

4. Gas Blend Limits

At all times the blend of Gasses injected at a Receipt Point or present in the Distribution Network must comply with applicable Gas Blend Limits, which are intended to ensure Gas is safe for transport through the Distribution Network and safe for end-user appliances. JAM, on behalf of Evoenergy, may curtail the injection of Gas at Receipt Points where the Gas does not (or it may cause Gas transported through the Distribution Network not to) comply with:

- any applicable contractual requirements in respect of Gas blends injected into or transported through the Distribution Network (including as set out in any applicable Connection Agreement, Haulage Service Agreement, or any associated directions issued by Evoenergy or JAM);
- any prescribed blending limits published (and updated from time to time) by any relevant authority or regulatory body in NSW; and
- applicable Regulatory Requirements, including but not limited to: AS 4564 Specification for General-Purpose Natural Gas,

² Gas Blend Limits are defined in section 4.

Collectively, the Gas Blend Limits.

5. Curtailment Process

5.1 Curtailment initiated by Connecting Party or User

If a Connecting Party or User detects or becomes aware of circumstances where under this *curtailment methodology* the injection of Gas at a Receipt Point should be curtailed, they must take immediate action to:

- a) curtail and cease the relevant Gas injections into the Distribution Network;
- b) take all reasonable endeavours to rectify the matters giving rise to curtailment; and
- c) notify JAM and Evoenergy of the circumstances giving rise to curtailment.

5.2 Curtailment initiated by JAM

If JAM detects or becomes aware of a circumstance that may give rise to a decision by JAM to curtail Gas injected at a Receipt Point, JAM, on behalf of Evoenergy, may:

- a) take immediate action to cease acceptance of Gas at the relevant Receipt Points;
- b) require Connecting Parties or Users to immediately undertake remedial action to address the reasons for curtailment;
- c) require Connecting Parties or Users to undertake an investigation into the circumstances that gave rise to curtailment and provide a written report to Evoenergy and JAM within a reasonable timeframe specified by JAM; and
- d) require Connecting Parties or Users to provide all necessary assistance to JAM in order to address and investigate the matter.

5.3 Procedures in the event of Curtailment

If JAM decides to undertake curtailment at a Receipt Point:

- a) JAM will provide advance notice if practicable in the circumstances prior to initiating curtailment, and otherwise will notify Users or Connecting Parties (as applicable) after curtailment advising of the reasons for curtailment;
- b) if requested by JAM, Connecting Parties must immediately ensure the inlet valve is shutoff and the Connecting Party's facility is isolated from the Distribution Network;
- c) JAM may without notice isolate the Distribution Network by operation of a remote or manual control valve; and
- d) Connecting Parties and Users must provide JAM such cooperation as might reasonably be required by JAM to support the ongoing maintenance and operation of the infrastructure related to the Receipt Point.

If at anytime Out-of-Specification Gas, or Gas that does not meet the Gas Blend Limits, remains in the Distribution Network, then curtailment or supply limitations from that Receipt Point may remain in force while an investigation is carried out and any remedial actions are completed. There may also be additional restrictions imposed by JAM or regulatory authorities.

- e) Following curtailment, JAM may work with all parties impacted to review the conditions that led to the curtailment circumstance occurring in order to assist parties in avoiding future curtailment.

Notwithstanding any circumstances, or matters addressed above, JAM, on behalf of Evoenergy, may take appropriate actions as it considers reasonably necessary to prioritise and ensure community safety, performance of end-user appliances, and the safety, integrity and reliability of the Distribution Network.

5.4 Reinitiating supply through the Receipt Point.

Once any remedial actions are completed and JAM considers that recommencing the injection of Gas at a Receipt Point is safe and appropriate, then subject to the any process detailed in an applicable Operating Protocol, JAM will notify the Connecting Parties and Users (as applicable) that the parties may initiate the procedures for reintroducing the injection of Gas into that Receipt Point.

6. Definitions

The terms used within this document are defined below. Some of these definitions are adopted from the National Gas Law or the National Gas Rules. Where the meaning of these terms is amended in the National Gas Law or National Gas Rules subsequent to publication of this version of the Curtailment Methodology then the updated meanings used in the National Gas Law or National Gas Rules will apply:

Term	Definition
Connection Agreement	means the contract between Evoenergy and a connecting party to establish a Receipt Point into the Distribution Network currently called a "Receipt Point Interconnection Agreement".
Connecting Parties	means persons that are connected (or intend to connect) to the Distribution Network via a Receipt Point.
Curtailment	means where action is taken to interrupt or reduce the flow of Gas through a Receipt Point, which may involve the imposition of a limit, restriction or suspension (wholly or partially) of the injection of Gas at the Receipt Point.
Distribution Network	means Evoenergy's distribution system in Shoalhaven (Nowra) region of New South Wales, consisting of a system of pipes and associated facilities including any Receipt Station components, delivery station components and measuring equipment owned by Evoenergy.
Emergency	means risk of injury or damage to any person or property (including the Distribution Network), or any threat to safety or other emergency type situation.
Gas	means the following— (a) a Primary Gas; (b) a Gas Blend.
Gas Blend	means Primary Gases that have been blended together.
Gas Blend Limits	means the requirements set out at section 4 of this Curtailment Methodology.
Gas Specifications	means the characteristics and quality of the Gas, including composition, temperature and pressure
Haulage Service Agreement	means the standard haulage service agreement available https://www.evoenergy.com.au/About-us/Gas-network/Nowra-gas-network
National Gas Rules	means the National Gas Law adopted under the <i>National Gas (New South Wales) Act 2008</i> as applicable.
National Gas Law	means the National Gas Rules adopted under the <i>National Gas (New South Wales) Act 2008</i> as applicable.
Primary Gas	means the following— (a) natural gas; (b) hydrogen; (c) biomethane; (d) synthetic methane; (e) a substance prescribed by the Regulations for the purpose of this definition; (f) a substance prescribed as a primary gas in a participating jurisdiction by a local regulation of a participating jurisdiction.
Operating Protocol	means an applicable operating protocol in respect of a Receipt Point under a Connection Agreement.
Receipt Point	means a point at which gas is received into the Distribution Network.
Regulations	means the regulations made under Part 3 of the National Gas Law that are in force and apply under the National Gas (New South Wales) Act 2008 (NSW) as applicable.
Regulatory Requirements	means Standards, laws, rules, regulations, orders, specifications, authorisation, licence and other instruments applicable to the provision of pipeline services.

Standard or Haulage Service Agreement	means the contract between Evoenergy and a User for the provision of the haulage service agreement.
Standards	means Industry recognised technical documents, including but not limited to those published under the banner of Australian Standards (AS), International Standard Organisation (ISO) or their equivalents, including the Standards set out at section 7 of this curtailment methodology.
Users	means persons that acquire (or intend to acquire) transportation services from Evoenergy under a haulage service agreement

6.1 Abbreviations

Abbreviation	Definition
JAM	Jemena Asset Management Pty Ltd
AEMO	Australian Energy Market Operator

7. Related / Reference Documents

7.1 Internal References

Link	Document Title
https://www.evoenergy.com.au/About-us/Gas-network/Nowra-gas-network	Evoenergy Interconnection Policy
https://www.evoenergy.com.au/About-us/Gas-network/Nowra-gas-network	User access guide – Nowra
https://www.evoenergy.com.au/About-us/Gas-network/Nowra-gas-network	Pipeline and service information – Nowra
https://www.evoenergy.com.au/About-us/Gas-network/Nowra-gas-network	Standard terms and conditions (haulage) - Nowra

7.2 External References / Standards

This is not an exclusive list of Regulatory Requirements Connecting Parties and Users should at ensure they are familiar with all applicable Regulatory Requirements including, but not limited to:

- AS 4564 Specification for General-Purpose Natural Gas
- AS/NZS 4645 Suite
- AS/NZS 2885 Suite
- Gas Supply Act 1996 (NSW) and associated regulations
- Pipelines Act 1967 (NSW) and associated regulations
- National Gas Rules
- National Gas Law