Assurance Reports 2024

This information was last updated on 27/6/2025, is current as of that date and replaces all previous versions.

27 June 2025

Jemena

Independent Auditor's Report

To the Directors of the Queensland Gas Pipeline Service Provider

Report on the audit of the Financial Information within Part 10 Financial Reporting Templates

Opinion

We have audited the ***Financial Information*** of the Queensland Gas Pipeline Service Provider (Service Provider).

In our opinion, the accompanying Part 10 Financial Reporting Templates presents fairly, in all material respects, the Financial Information of the Service Provider for the year ended 31 December 2024, in accordance with the Pipeline Information Disclosure Guidelines and Price Reporting Guidelines for Part 18A Facilities issued by the Australian Energy Regulator (AER) on 27 October 2023 (Guideline) and the Basis of Preparation as prescribed by the Guideline.

The ***Financial Information*** is the Financial Information within tables 2.1, 2.1.1, 2.2.1, 2.2.2, 2.3.1, 2.3.2, 2.4.1, 2.5.1, 3.1.1, 3.1.2, 3.3.1, 3.4.1, 3.4.2, 3.5.1, 3.5.2 and 3.6.1 within the Part 10 Financial Reporting Templates for the year ended 31 December 2024.

The Queensland Gas Pipeline Service Provider comprises the following entities:

- Jemena Queensland Gas Pipeline (1) Pty Ltd
- Jemena Queensland Gas Pipeline (2) Pty Ltd

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Information* section of our report.

We are independent of the Service Provider in accordance with the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Information in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter – basis of preparation and restriction on use and distribution

We draw attention to the Basis of Preparation attached to the Financial Information included within the Part 10 Financial Reporting Templates which describes the methodologies, assumptions and judgements made by management in preparing the Financial Information.

The Financial Information has been prepared to assist the Directors of the entities which comprise the Service Provider, for the purpose of fulfilling the Service Provider's reporting obligations under the Guideline. As a result, the Financial Information and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Our report is intended solely for the Directors of the entities which comprise the Service Provider and the AER, who will receive a copy of our report, and should not be used by or distributed to parties other than the Directors of the Service Provider and the AER. We disclaim any assumption of responsibility for any reliance on this report, or on the Financial Information to which it relates, to any person other than the Directors of entities

which comprise the Service Provider and the AER or for any other purpose than that for which it was prepared.

Other Information

Other Information is Financial and Non-Financial Information in the Service Provider's annual regulatory reporting which is provided in addition to the Financial Information, the Basis of Preparation and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Information does not cover the Other Information and, accordingly, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Information, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Information or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors and Management for the Financial Information

Management of the Service Provider is responsible for:

- the preparation of the Financial Information in accordance with the requirements of the Guideline and the Basis of Preparation; and
- implementing necessary internal control to enable the preparation of the Financial Information that is free from material misstatement, whether due to fraud or error.

The Directors of the entities which comprise the Service Provider are responsible for:

- overseeing the Service Provider's reporting process; and
- determining that the Basis of Preparation is appropriate to meet the needs of the AER in order to fulfil the Service Provider's reporting obligations.

Auditor's responsibilities for the audit of the Financial Information

Our objective is:

- to obtain reasonable assurance about whether the Financial Information as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Information.

A further description of our responsibilities for the audit of the Financial Information is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our Auditor's Report.

KPMG

KPMG

Glenn Austin
Partner
Melbourne
27 June 2025

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Part 10 Financial Reporting
Jemena Queensland Gas Pipeline (1) Pty Ltd
Jemena Queensland Gas Pipeline (2) Pty Ltd
Year ending 31/12/2024

Revenue and expenses

Table 2.1: Statement of pipeline revenue and expenses by service

Basis of Preparation ID	Description	Total	Description	Total	Earnings before interest and tax (EBIT) by service
		$ nominal		$ nominal	$ nominal
	Revenue		**Expenses**		
	Firm forward haul transportation service	46,879,605	Firm forward haul transportation service	(32,523,873)	14,355,732
	Backhaul service	5,980	Backhaul service	(4,241)	1,739
	Interruptible or as available transportation service	67,082	Interruptible or as available transportation service	(47,574)	19,509
	Firm stand-alone compression service		Firm stand-alone compression service		
	Interruptible or as available stand-alone compression service		Interruptible or as available stand-alone compression service		
	Park service		Park service		
	Park and loan services	483,384	Park and loan services	(342,808)	140,576
	Capacity trading service		Capacity trading service		
	In pipe trading service		In pipe trading service		
	Other	554,036	Other	(392,913)	161,123
	Total net revenue	47,990,087	**Total Expenses**	(33,311,408)	14,678,679

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Part 10 Financial Reporting
Jemena Queensland Gas Pipeline (1) Pty Ltd
Jemena Queensland Gas Pipeline (2) Pty Ltd
Year ending 31/12/2024
Profit & Loss statement by component

Table 2.1.1: Statement of pipeline revenue and expenses by component

		Current reporting period			Previous reporting period		
Basis of Preparation ID	Description	Amounts excluding related party transactions	Related party transactions	Total	Amounts excluding related party transactions	Related party transactions	Total
		$ nominal	$ nominal	$ nominal	$ nominal	$ nominal	$ nominal
	Direct revenue by pipeline						
2.1.1SOPRAEBC_D13:I22	Total service revenue	46,971,529	-	46,971,529	52,495,236	-	52,495,236
2.1.1SOPRAEBC_D13:I22	Customer contribution revenue	1,018,559	-	1,018,559	288,782	-	288,782
2.1.1SOPRAEBC_D13:I22	Government contribution revenue	-		-	-		-
2.1.1SOPRAEBC_D13:I22	Profit from sale of fixed assets	-	-	-	-	-	-
2.1.1SOPRAEBC_D13:I22	Other direct revenue	-	-	-	-	-	-
2.1.1SOPRAEBC_D13:I22	Total direct revenue by pipeline	47,990,087	-	47,990,087	52,784,018	-	52,784,018
2.1.1SOPRAEBC_D13:I22	**Indirect revenue allocated to pipeline**						
2.1.1SOPRAEBC_D13:I22	Other indirect revenue	-	-	-	-	-	-
	Total indirect revenue by pipeline	-	-	-	-	-	-
	Total revenue by pipeline	47,990,087	-	47,990,087	52,784,018	-	52,784,018
	Direct expenses by pipeline						
2.1.1SOPRAEBC_D24:I45	Repairs and maintenance	-	(4,850,994)	(4,850,994)	-	(5,642,026)	(5,642,026)
2.1.1SOPRAEBC_D24:I45	Wages	-	(8,935,356)	(8,935,356)	-	(6,647,564)	(6,647,564)
2.1.1SOPRAEBC_D24:I45	Depreciation	(10,829,866)	-	(10,829,866)	(10,292,512)	-	(10,292,512)
2.1.1SOPRAEBC_D24:I45	Insurance	-	-	-	-	-	-
2.1.1SOPRAEBC_D24:I45	Licence and regulatory costs	-	-	-	-	-	-
2.1.1SOPRAEBC_D24:I45	Directly attributable finance charges	-	-	-	-	-	-
2.1.1SOPRAEBC_D24:I45	Leasing and rental costs	-	(1,234,877)	(1,234,877)	-	(1,331,311)	(1,331,311)
2.1.1SOPRAEBC_D24:I45	Other direct expenses	-	(2,417,094)	(2,417,094)	-	(3,026,394)	(3,026,394)
	Total direct expenses by pipeline	(10,829,866)	(17,438,320)	(28,268,186)	(10,292,512)	(16,647,296)	(26,939,808)
	Shared expenses by pipeline						
2.1.1SOPRAEBC_D24:I45	Employee expenses	-	(1,890,591)	(1,890,591)	-	(1,770,312)	(1,770,312)
2.1.1SOPRAEBC_D24:I45	Information technology and communication costs	-	(760,491)	(760,491)	-	(861,386)	(861,386)
2.1.1SOPRAEBC_D24:I45	Indirect operating expenses	-	(963,754)	(963,754)	-	(925,950)	(925,950)
2.1.1SOPRAEBC_D24:I45	Shared asset depreciation	(1,235,625)	-	(1,235,625)	(795,819)	-	(795,819)
2.1.1SOPRAEBC_D24:I45	Rental and leasing costs	-	(192,761)	(192,761)	-	(235,643)	(235,643)
2.1.1SOPRAEBC_D24:I45	Borrowing costs	-	-	-	-	-	-
2.1.1SOPRAEBC_D24:I45	Loss from sale of shared fixed assets	-	-	-	-	-	-
2.1.1SOPRAEBC_D24:I45	Impairment losses (nature of the impairment loss)	-	-	-	-	-	-
2.1.1SOPRAEBC_D24:I45	Other shared expenses	-	-	-	-	-	-
	Total shared expenses allocated to pipeline	(1,235,625)	(3,807,597)	(5,043,222)	(795,819)	(3,793,291)	(4,589,110)
	Total expenses by pipeline	**(12,065,491)**	**(21,245,917)**	**(33,311,408)**	**(11,088,331)**	**(20,440,587)**	**(31,528,918)**
	Earnings before interest and tax (EBIT)	**35,924,596**	**(21,245,917)**	**14,678,679**	**41,695,687**	**(20,440,587)**	**21,255,100**

Part 10 Financial Reporting
Jemena Queensland Gas Pipeline (1) Pty Ltd
Jemena Queensland Gas Pipeline (2) Pty Ltd
Year ending 31/12/2024

Allocation to pipeline services

Table 2.2.1: Revenue by service

		Reporting period				Previous reporting period			
Basis of Preparation ID	Description	Allocation to pipeline service	Amounts excluding related party transactions	Related party transactions	Total	Allocation to pipeline service	Amounts excluding related party transactions	Related party transactions	Total
		%	$ nominal	$ nominal	$ nominal	%	$ nominal	$ nominal	$ nominal
	Direct revenue (excl. capital contributions)								
2.2.1RBS_D13:K23	Firm forward haul transportation service	97.64%	45,861,047	-	45,861,047	93.96%	49,325,260	-	49,325,260
2.2.1RBS_D13:K23	Backhaul service	0.01%	5,980	-	5,980	0.00%	-	-	-
2.2.1RBS_D13:K23	Interruptible or as available transportation service	0.14%	67,082	-	67,082	0.23%	120,361	-	120,361
2.2.1RBS_D13:K23	Firm stand-alone compression service	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D13:K23	Interruptible or as available stand-alone compression service	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D13:K23	Park service	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D13:K23	Park and loan services	1.03%	483,384	-	483,384	3.60%	1,891,401	-	1,891,401
2.2.1RBS_D13:K23	Capacity trading service	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D13:K23	In pipe trading service	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D13:K23	Other	1.18%	554,036	-	554,036	2.21%	1,158,214	-	1,158,214
	Total direct revenue (excl. capital contributions)	**100.00%**	**46,971,529**	**-**	**46,971,529**	**100.00%**	**52,495,236**	**-**	**52,495,236**
	Capital contributions								
2.2.1RBS_D25:K35	Firm forward haul transportation service	100.00%	1,018,559	-	1,018,559	100.00%	288,782	-	288,782
2.2.1RBS_D25:K35	Backhaul service	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D25:K35	Interruptible or as available transportation service	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D25:K35	Firm stand-alone compression service	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D25:K35	Interruptible or as available stand-alone compression service	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D25:K35	Park service	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D25:K35	Park and loan services	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D25:K35	Capacity trading service	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D25:K35	In pipe trading service	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D25:K35	Other	0.00%	-	-	-	0.00%	-	-	-
	Total capital contributions	**100.00%**	**1,018,559**	**-**	**1,018,559**	**100.00%**	**288,782**	**-**	**288,782**
	Indirect revenue allocated								
2.2.1RBS_D37:K49	Firm forward haul transportation service	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D37:K49	Backhaul service	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D37:K49	Interruptible or as available transportation service	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D37:K49	Firm stand-alone compression service	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D37:K49	Interruptible or as available stand-alone compression service	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D37:K49	Park service	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D37:K49	Park and loan services	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D37:K49	Capacity trading service	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D37:K49	In pipe trading service	0.00%	-	-	-	0.00%	-	-	-
2.2.1RBS_D37:K49	Other	0.00%	-	-	-	0.00%	-	-	-
	Total indirect revenue	**0.00%**	**-**	**-**	**-**	**0.00%**	**-**	**-**	**-**
	Total revenue		**47,990,087**	**-**	**47,990,087**		**52,784,018**	**-**	**52,784,018**

Table 2.2.2: Expenses by service

		Reporting period				Previous reporting period			
Basis of Preparation ID	Description	Allocation to pipeline service	Amounts excluding related party transactions	Related party transactions	Total	Allocation to pipeline service	Amounts excluding related party transactions	Related party transactions	Total
		%	$ nominal	$ nominal	$ nominal	%	$ nominal	$ nominal	$ nominal
	Direct expenses (excl. depreciation)								
2.2.2EBS_D56:K66	Firm forward haul transportation service	97.64%	-	(17,026,051)	(17,026,051)	93.96%	-	(15,642,033)	(15,642,033)
2.2.2EBS_D56:K66	Backhaul service	0.01%	-	(2,220)	(2,220)	0.00%	-	-	-
2.2.2EBS_D56:K66	Interruptible or as available transportation service	0.14%	-	(24,904)	(24,904)	0.23%	-	(38,169)	(38,169)
2.2.2EBS_D56:K66	Firm stand-alone compression service	0.00%	-	-	-	0.00%	-	-	-
2.2.2EBS_D56:K66	Interruptible or as available stand-alone compression service	0.00%	-	-	-	0.00%	-	-	-
2.2.2EBS_D56:K66	Park service	0.00%	-	-	-	0.00%	-	-	-
2.2.2EBS_D56:K66	Park and loan services	1.03%	-	(179,458)	(179,458)	3.60%	-	(599,801)	(599,801)
2.2.2EBS_D56:K66	Capacity trading service	0.00%	-	-	-	0.00%	-	-	-
2.2.2EBS_D56:K66	In pipe trading service	0.00%	-	-	-	0.00%	-	-	-
2.2.2EBS_D56:K66	Other	1.18%	-	(205,688)	(205,688)	2.21%	-	(367,293)	(367,293)
	Total direct expenses (excl. depreciation)	**100.00%**	**-**	**(17,438,320)**	**(17,438,320)**	**100.00%**	**-**	**(16,647,296)**	**(16,647,296)**
	Depreciation								
2.2.2EBS_D68:K78	Firm forward haul transportation service	97.64%	(11,780,244)	-	(11,780,244)	93.96%	(10,418,751)	-	(10,418,751)
2.2.2EBS_D68:K78	Backhaul service	0.01%	(1,536)	-	(1,536)	0.00%	-	-	-
2.2.2EBS_D68:K78	Interruptible or as available transportation service	0.14%	(17,231)	-	(17,231)	0.23%	(25,423)	-	(25,423)
2.2.2EBS_D68:K78	Firm stand-alone compression service	0.00%	-	-	-	0.00%	-	-	-
2.2.2EBS_D68:K78	Interruptible or as available stand-alone compression service	0.00%	-	-	-	0.00%	-	-	-
2.2.2EBS_D68:K78	Park service	0.00%	-	-	-	0.00%	-	-	-
2.2.2EBS_D68:K78	Park and loan services	1.03%	(124,166)	-	(124,166)	3.60%	(399,512)	-	(399,512)
2.2.2EBS_D68:K78	Capacity trading service	0.00%	-	-	-	0.00%	-	-	-
2.2.2EBS_D68:K78	In pipe trading service	0.00%	-	-	-	0.00%	-	-	-
2.2.2EBS_D68:K78	Other	1.18%	(142,314)	-	(142,314)	2.21%	(244,644)	-	(244,644)
	Total depreciation	**100.00%**	**(12,065,491)**	**-**	**(12,065,491)**	**100.00%**	**(11,088,331)**	**-**	**(11,088,331)**
	Shared expenses allocated (excl. depreciation)								
2.2.2EBS_D80:K91	Firm forward haul transportation service	97.64%	-	(3,717,579)	(3,717,579)	93.96%	-	(3,564,229)	(3,564,229)
2.2.2EBS_D80:K91	Backhaul service	0.01%	-	(485)	(485)	0.00%	-	-	-
2.2.2EBS_D80:K91	Interruptible or as available transportation service	0.14%	-	(5,438)	(5,438)	0.23%	-	(8,697)	(8,697)
2.2.2EBS_D80:K91	Firm stand-alone compression service	0.00%	-	-	-	0.00%	-	-	-
2.2.2EBS_D80:K91	Interruptible or as available stand-alone compression service	0.00%	-	-	-	0.00%	-	-	-
2.2.2EBS_D80:K91	Park service	0.00%	-	-	-	0.00%	-	-	-
2.2.2EBS_D80:K91	Park and loan services	1.03%	-	(39,184)	(39,184)	3.60%	-	(136,672)	(136,672)
2.2.2EBS_D80:K91	Capacity trading service	0.00%	-	-	-	0.00%	-	-	-
2.2.2EBS_D80:K91	In pipe trading service	0.00%	-	-	-	0.00%	-	-	-
2.2.2EBS_D80:K91	Other	1.18%	-	(44,911)	(44,911)	2.21%	-	(83,692)	(83,692)
	Total shared expenses (excl. depreciation)	**100.00%**	**-**	**(3,807,597)**	**(3,807,597)**	**100.00%**	**-**	**(3,793,291)**	**(3,793,291)**
	Total expenses		**(12,065,491)**	**(21,245,917)**	**(33,311,408)**		**(11,088,331)**	**(20,440,587)**	**(31,528,918)**

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Part 10 Financial Reporting
Jemena Queensland Gas Pipeline (1) Pty Ltd
Jemena Queensland Gas Pipeline (2) Pty Ltd
Year ending 31/12/2024
Revenue contributions

Table 2.3.1: Customer contributions received

Description	Amounts excluding related party transactions	Related party transactions	Total
	$ nominal	$ nominal	$ nominal
Customer Contributions	1,018,559		**1,018,559**
			-
			-
			-
			-
			-
Total	**1,018,559**	**-**	**1,018,559**

Table 2.3.2: Government contributions received

Source	Description	Total
		$ nominal
Total		**-**

Part 10 Financial Reporting
Jemena Queensland Gas Pipeline (1) Pty Ltd
Jemena Queensland Gas Pipeline (2) Pty Ltd
Year ending 31/12/2024
Indirect revenue

Please ensure allocation methodologies are explained in sufficient detail in the Basis of Preparation as required under the Guideline.

Table 2.4.1: Indirect revenue allocation

Basis of Preparation ID	Description	Indirect revenue excluding related parties	Indirect revenue from related parties	% allocated to pipeline	Total allocated to pipeline excluding related parties	Total related party amounts allocated to pipeline	Total amounts allocated to pipeline
	(list each individual revenue item)	$ nominal	$ nominal		$ nominal	$ nominal	$ nominal
					-	-	-
					-	-	-
					-	-	-
					-	-	-
					-	-	-
					-	-	-
					-	-	-
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					-	-	-
					-	-	-
					-	-	-
					-	-	-
					-	-	-
					-	-	-
					-	-	-
	Total	-	-		-	-	-

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Part 10 Financial Reporting
Jemena Queensland Gas Pipeline (1) Pty Ltd
Jemena Queensland Gas Pipeline (2) Pty Ltd
Year ending 31/12/2024

Shared expenses

Please ensure allocation methodologies are explained in sufficient detail in the Basis of Preparation as required under the Guideline.

Table 2.5.1: Shared expense allocation

Basis of Preparation ID	Description	Income statement account applied to	Shared expenses excluding related parties	Shared expenses paid to related parties	% allocated to pipeline	Total allocated to pipeline excluding related parties	Total related party amounts allocated to pipeline	Total amounts allocated to pipeline
	(list each individual cost)		$ nominal	$ nominal		$ nominal	$ nominal	$ nominal
2.5.1SEA_D15:J36	Employee expenses	Various	-	(132,711,311)	1.42%	-	(1,890,591)	(1,890,591)
2.5.1SEA_D15:J36	Information technology and communication costs	Various	-	(33,309,726)	2.28%	-	(760,491)	(760,491)
2.5.1SEA_D15:J36	Indirect operating expenses	Various	-	(25,105,161)	3.84%	-	(963,754)	(963,754)
2.5.1SEA_D15:J36	Shared asset depreciation	Various	(24,604,960)	-	5.02%	(1,235,625)	-	(1,235,625)
2.5.1SEA_D15:J36	Rental and leasing costs	Various	-	(7,404,165)	2.60%	-	(192,761)	(192,761)
2.5.1SEA_D15:J36	Borrowing costs	0.00	-	-	0.00%	-	-	-
2.5.1SEA_D15:J36	Loss from sale of shared fixed assets	0.00	-	-	0.00%	-	-	-
2.5.1SEA_D15:J36	Impairment losses (nature of the impairment loss)	0.00	-	-	0.00%	-	-	-
2.5.1SEA_D15:J36	Other shared expenses		-	-		-	-	-
	please identify other shared expenses					-	-	-
						-	-	-
						-	-	-
						-	-	-
						-	-	-
						-	-	-
						-	-	-
						-	-	-
						-	-	-
						-	-	-
						-	-	-
						-	-	-
						-	-	-
	Total		(24,604,960)	(198,530,362)		(1,235,625)	(3,807,597)	(5,043,222)

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Jemena Queensland Gas Pipeline (2) Pty Ltd
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Asset value - Depreciated Book Value Method (DBVM) (For Non-scheme pipeline only)

This template is for a non-indexed asset value based on the Australian Accounting Standards, featuring allowances for acquisition costs and asset impairments, for non-scheme pipelines.

Table 3.1.1: Pipeline assets (DBVM)

Basis of Preparation ID	Description	Reporting period	Previous reporting period
	Pipeline assets		
	Pipelines		
3.1.1PADBVM_D18:E80	Opening Cost Base	226,389,766	225,885,381
3.1.1PADBVM_D18:E80	Additions	21,535,365	(402,140)
3.1.1PADBVM_D18:E80	Capitalised maintenance or improvements	-	-
	Total capitalised pipeline construction costs	247,925,130	225,483,241
3.1.1PADBVM_D18:E80	Depreciation (excl. impairment)	(131,498,713)	(125,970,930)
3.1.1PADBVM_D18:E80	Impairment losses	-	-
3.1.1PADBVM_D18:E80	Disposals or early termination (at cost)	-	-
	Closing pipelines carrying value	116,426,417	99,512,312
	Compressors		
3.1.1PADBVM_D18:E80	Opening Cost Base	76,918,224	76,918,224
3.1.1PADBVM_D18:E80	Additions	-	373
3.1.1PADBVM_D18:E80	Capitalised maintenance or improvements	-	-
3.1.1PADBVM_D18:E80	Depreciation (excl. impairment)	(46,483,870)	(43,852,315)
3.1.1PADBVM_D18:E80	Impairment losses	-	-
3.1.1PADBVM_D18:E80	Disposals or early termination (at cost)	-	-
	Closing compressors carrying value	30,434,355	33,066,283

	City Gates, supply regulators and valve stations		
3.1.1PADBVM_D18:E80	Opening Cost Base	36,174,134	36,174,134
3.1.1PADBVM_D18:E80	Additions	2,046,137	-
3.1.1PADBVM_D18:E80	Capitalised maintenance or improvements	-	-
3.1.1PADBVM_D18:E80	Depreciation (excl. impairment)	(16,964,936)	(15,866,077)
3.1.1PADBVM_D18:E80	Impairment losses	-	-
3.1.1PADBVM_D18:E80	Disposals or early termination (at cost)	-	-
	Closing city gates, supply regulators and valve stations carrying value	21,255,336	20,308,057
	Metering		
3.1.1PADBVM_D18:E80	Opening Cost Base	4,496,050	4,496,050
3.1.1PADBVM_D18:E80	Additions	-	-
3.1.1PADBVM_D18:E80	Capitalised maintenance or improvements	-	-
3.1.1PADBVM_D18:E80	Depreciation (excl. impairment)	(3,601,994)	(3,358,021)
3.1.1PADBVM_D18:E80	Impairment losses	-	-
3.1.1PADBVM_D18:E80	Disposals or early termination (at cost)	-	-
	Closing metering carrying value	894,057	1,138,029
	Odorant plants		
3.1.1PADBVM_D18:E80	Opening Cost Base	-	-
3.1.1PADBVM_D18:E80	Additions	-	-
3.1.1PADBVM_D18:E80	Capitalised maintenance or improvements	-	-
3.1.1PADBVM_D18:E80	Depreciation (excl. impairment)	-	-
3.1.1PADBVM_D18:E80	Impairment losses	-	-
3.1.1PADBVM_D18:E80	Disposals or early termination (at cost)	-	-
	Closing odorant plants carrying value	-	-
	SCADA (Communications)		
3.1.1PADBVM_D18:E80	Opening Cost Base	2,472,057	2,582,728
3.1.1PADBVM_D18:E80	Additions	-	(110,671)
3.1.1PADBVM_D18:E80	Capitalised maintenance or improvements	-	-
3.1.1PADBVM_D18:E80	Depreciation (excl. impairment)	(2,385,216)	(2,327,606)
3.1.1PADBVM_D18:E80	Impairment losses	-	-
3.1.1PADBVM_D18:E80	Disposals or early termination (at cost)	-	-
	Closing SCADA carrying value	86,841	144,451
	Buildings		
3.1.1PADBVM_D18:E80	Opening Cost Base	11,822,391	12,584,486
3.1.1PADBVM_D18:E80	Additions	-	18,702
3.1.1PADBVM_D18:E80	Capitalised maintenance or improvements	-	-
3.1.1PADBVM_D18:E80	Depreciation (excl. impairment)	(5,269,403)	(5,122,902)
3.1.1PADBVM_D18:E80	Impairment losses	-	-
3.1.1PADBVM_D18:E80	Disposals or early termination (at cost)	-	(780,797)
	Closing buildings carrying value	6,552,988	6,699,488

	Land and easements		
3.1.1PADBVM_D18:E80	Opening Cost Base	6,492,131	6,518,281
3.1.1PADBVM_D18:E80	Additions	(26,150)	(26,150)
3.1.1PADBVM_D18:E80	Capitalised maintenance or improvements	-	-
3.1.1PADBVM_D18:E80	Impairment losses	-	-
3.1.1PADBVM_D18:E80	Disposals or early termination (at cost)	-	-
	Closing land and easements carrying value	6,465,980	6,492,131
	Other depreciable pipeline assets		
3.1.1PADBVM_D18:E80	Opening Cost Base	23,609,087	23,438,983
3.1.1PADBVM_D18:E80	Additions	183,790	173,810
3.1.1PADBVM_D18:E80	Capitalised maintenance or improvements	-	-
3.1.1PADBVM_D18:E80	Depreciation (excl. impairment)	(19,006,444)	(18,078,169)
3.1.1PADBVM_D18:E80	Impairment losses	-	-
3.1.1PADBVM_D18:E80	Disposals or early termination (at cost)	(14,564)	(0)
	Closing other depreciable pipeline assets carrying value	4,771,869	5,534,624
	Leased assets		
3.1.1PADBVM_D18:E80	Opening Cost Base	-	-
3.1.1PADBVM_D18:E80	Additions	-	-
3.1.1PADBVM_D18:E80	Capitalised maintenance or improvements	-	-
3.1.1PADBVM_D18:E80	Depreciation (Amortisation) (excl. impairment)	-	-
3.1.1PADBVM_D18:E80	Impairment losses	-	-
3.1.1PADBVM_D18:E80	Disposals or early termination (at cost)	-	-
	Closing leased asset carrying value	-	-
3.1.1PADBVM_D97:E102	**Other non-depreciable pipeline assets**		
3.1.1PADBVM_D97:E102	Opening Cost Base	557,654,341	499,161,925
3.1.1PADBVM_D97:E102	Additions	55,112,342	58,492,416
3.1.1PADBVM_D97:E102	Capitalised maintenance or improvements		-
3.1.1PADBVM_D97:E102	Disposals or early termination (at cost)		-
	Closing other non-depreciable pipeline assets carrying value	612,766,683	557,654,341
	Total pipeline assets	799,654,526	730,549,716

	Shared supporting assets allocated		
	Shared property, plant and equipment		
3.1.1PADBVM_D106:E119	Opening Cost Base	12,279,673	10,167,775
3.1.1PADBVM_D106:E119	Additions	716,419	3,237,772
3.1.1PADBVM_D106:E119	Capitalised maintenance or improvements	-	-
3.1.1PADBVM_D106:E119	Depreciation (excl. impairment)	(8,706,026)	(7,578,909)
3.1.1PADBVM_D106:E119	Impairment losses	-	-
3.1.1PADBVM_D106:E119	Disposals or early termination (at cost)	-	(111,927)
	Closing shared property, plant and equipment carrying value	4,290,066	5,714,711
	Shared leased assets		
3.1.1PADBVM_D106:E119	Opening Cost Base	-	-
3.1.1PADBVM_D106:E119	Additions	-	-
3.1.1PADBVM_D106:E119	Capitalised maintenance or improvements	-	-
3.1.1PADBVM_D106:E119	Depreciation (Amortisation) (excl. impairment)	-	-
3.1.1PADBVM_D106:E119	Impairment losses	-	-
3.1.1PADBVM_D106:E119	Disposals or early termination (at cost)	-	-
	Closing leased assets carrying value	-	-
3.1.1PADBVM_D121:E123	**Inventories**		-
3.1.1PADBVM_D121:E123	**Deferred tax assets**		-
3.1.1PADBVM_D121:E123	**Other assets**		-
	Total shared supporting assets allocated	4,290,066	5,714,711
	TOTAL ASSETS	**803,944,591**	**736,264,427**

Table 3.1.2: Initial costs of pipeline assets (DBVM)

Basis of Preparation ID	Description	Acquisition year
	TOTAL ASSETS	
3.1.2ICOPADBVM_D132	Initial acquisition costs	197,131,290

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Asset useful life

Table 3.3.1: Asset useful life

Basis of Preparation ID	Description (list each individual balance sheet item)	Commission date (provide a range)	Useful life	Reason for choosing this useful life
			years	
3.3.1AUL_D11:F39	Pipelines	July 1990 to May 2021	48.0	The economic useful life of individual assets is defined in terms of the asset's expected use to the service provider. Therefore, the useful life of an asset may be shorter than its Technical or Engineering life. The estimation of the economic useful life of an asset is a matter of judgement based on the Group's experience with similar assets. Additionally, economic useful life shall be considered in relation to the life assigned to similar assets within the asset category. Aggregated useful life calculated as aggregate weighted cost useful life of all assets within the asset category.
3.3.1AUL_D11:F39	Compressors	July 1990 to Oct 2021	32.9	The economic useful life of individual assets is defined in terms of the asset's expected use to the service provider. Therefore, the useful life of an asset may be shorter than its Technical or Engineering life. The estimation of the economic useful life of an asset is a matter of judgement based on the Group's experience with similar assets. Additionally, economic useful life shall be considered in relation to the life assigned to similar assets within the asset category. Aggregated useful life calculated as aggregate weighted cost useful life of all assets within the asset category.
3.3.1AUL_D11:F39	City Gates, supply regulators and valve stations	July 1990 to April 2024	41.9	The economic useful life of individual assets is defined in terms of the asset's expected use to the service provider. Therefore, the useful life of an asset may be shorter than its Technical or Engineering life. The estimation of the economic useful life of an asset is a matter of judgement based on the Group's experience with similar assets. Additionally, economic useful life shall be considered in relation to the life assigned to similar assets within the asset category. Aggregated useful life calculated as aggregate weighted cost useful life of all assets within the asset category.

3.3.1AUL_D11:F39	Metering	July 1990 to April 2021	19.6	The economic useful life of individual assets is defined in terms of the asset's expected use to the service provider. Therefore, the useful life of an asset may be shorter than its Technical or Engineering life. The estimation of the economic useful life of an asset is a matter of judgement based on the Group's experience with similar assets. Additionally, economic useful life shall be considered in relation to the life assigned to similar assets within the asset category. Aggregated useful life calculated as aggregate weighted cost useful life of all assets within the asset category.
3.3.1AUL_D11:F39	Odorant plants	N/A	0.0	N/A - No assets classified within this category
3.3.1AUL_D11:F39	SCADA (Communications)	July 1990 to November 2020	4.8	The economic useful life of individual assets is defined in terms of the asset's expected use to the service provider. Therefore, the useful life of an asset may be shorter than its Technical or Engineering life. The estimation of the economic useful life of an asset is a matter of judgement based on the Group's experience with similar assets. Additionally, economic useful life shall be considered in relation to the life assigned to similar assets within the asset category. Aggregated useful life calculated as aggregate weighted cost useful life of all assets within the asset category.
3.3.1AUL_D11:F39	Buildings	July 1990 to September 2023	36.3	The economic useful life of individual assets is defined in terms of the asset's expected use to the service provider. Therefore, the useful life of an asset may be shorter than its Technical or Engineering life. The estimation of the economic useful life of an asset is a matter of judgement based on the Group's experience with similar assets. Additionally, economic useful life shall be considered in relation to the life assigned to similar assets within the asset category. Aggregated useful life calculated as aggregate weighted cost useful life of all assets within the asset category.
3.3.1AUL_D11:F39	Other depreciable pipeline assets	July 1990 to December 2024	11.4	The economic useful life of individual assets is defined in terms of the asset's expected use to the service provider. Therefore, the useful life of an asset may be shorter than its Technical or Engineering life. The estimation of the economic useful life of an asset is a matter of judgement based on the Group's experience with similar assets. Additionally, economic useful life shall be considered in relation to the life assigned to similar assets within the asset category. Aggregated useful life calculated as aggregate weighted cost useful life of all assets within the asset category.

3.3.1AUL_D11:F39	Roads	July 1990 to July 2010	39.0	The economic useful life of individual assets is defined in terms of the asset's expected use to the service provider. Therefore, the useful life of an asset may be shorter than its Technical or Engineering life. The estimation of the economic useful life of an asset is a matter of judgement based on the Group's experience with similar assets. Additionally, economic useful life shall be considered in relation to the life assigned to similar assets within the asset category. Aggregated useful life calculated as aggregate weighted cost useful life of all assets within the asset category.
3.3.1AUL_D11:F39	Land and easements	July 1990 to August 2021	15.0	The economic useful life of individual assets is defined in terms of the asset's expected use to the service provider. Therefore, the useful life of an asset may be shorter than its Technical or Engineering life. The estimation of the economic useful life of an asset is a matter of judgement based on the Group's experience with similar assets. Additionally, economic useful life shall be considered in relation to the life assigned to similar assets within the asset category. Aggregated useful life calculated as aggregate weighted cost useful life of all assets within the asset category.
	insert asset description			
	insert asset description			
3.3.1AUL_D11:F39	Leased assets	N/A	0.0	N/A - No assets classified within this category
	insert asset description			
	insert asset description			
	insert asset description			
	insert asset description			
3.3.1AUL_D11:F39	Shared property, plant and equipment	July 1990 to December 2024	5.0	The economic useful life of individual assets is defined in terms of the asset's expected use to the service provider. Therefore, the useful life of an asset may be shorter than its Technical or Engineering life. The estimation of the economic useful life of an asset is a matter of judgement based on the Group's experience with similar assets. Additionally, economic useful life shall be considered in relation to the life assigned to similar assets within the asset category. Aggregated useful life calculated as aggregate weighted cost useful life of all assets within the asset category.
	insert asset description			
	insert asset description			
	insert asset description			
	insert asset description			
	insert asset description			
3.3.1AUL_D11:F39	Shared leased assets	N/A	0.0	N/A - No assets classified within this category
	insert asset description			
	insert asset description			
	insert asset description			
	insert asset description			
	insert asset description			

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Year ending 31/12/2024

Asset impairment

Table 3.4.1: Assets impaired

Asset description	Category	Impairment amount $ nominal	Impairment date	Basis for impairment

Table 3.4.2: Asset impairment reversals

Asset description	Category	Prior Impairment amount $ nominal	Impairment date	Basis for impairment	Reversal amount $nominal	Reversal date	Basis for Reversal

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Depreciation amortisation

Modify cost adjustment column if accelerated depreciation is applicable.

Table 3.5.1: Pipeline assets at cost

Basis of Preparation ID	Description	Category	Acquisition date (provide a range)	Useful life	Estimated residual value	Opening Cost Base	Current year additions	Current year capitalised maintenance or improvements	Current year disposals or Early termination	Cost base	% Cost adjustment for accelerated depreciation (if applicable)	Adjusted cost base	Prior years' accumulated depreciation	Current year depreciation	Written down value
				Years	$ nominal	$ nominal	$ nominal	$ nominal	$ nominal	$ nominal		$ nominal	$ nominal	$ nominal	$ nominal
3.5.1PAAC_C15:Q59	Pipelines	Pipelines	July 1990 to May 2021	48.0	-	223,095,242	(2,342,527)	-	-	220,752,715	100.00%	220,752,715	(125,956,858)	(5,526,955)	89,268,902
3.5.1PAAC_C15:Q59	City Gates	City Gates, supply regulators and valve stations	July 1990 to April 2024	41.9	-	36,174,134	2,046,137	-	-	38,220,272	100.00%	38,220,272	(15,866,077)	(1,098,859)	21,255,336
3.5.1PAAC_C15:Q59	Compressors	Compressors	July 1990 to Oct 2021	32.9	-	76,918,224	-	-	-	76,918,224	100.00%	76,918,224	(43,852,268)	(2,631,602)	30,434,355
3.5.1PAAC_C15:Q59	Buildings	Buildings	July 1990 to September 2023	36.3	-	11,822,391	-	-	-	11,822,391	100.00%	11,822,391	(5,122,902)	(146,500)	6,552,988
3.5.1PAAC_C15:Q59	Land and easements	Land and easements	July 1990 to August 2021	15.0	-	6,492,131	(26,150)	-	-	6,465,980	100.00%	6,465,980	-	-	6,465,980
3.5.1PAAC_C15:Q59	Other depreciable pipeline assets	Other depreciable pipeline assets	July 1990 to December 2024	11.4	-	23,609,087	183,790	-	(14,564)	23,778,313	100.00%	23,778,313	(18,075,222)	(931,222)	4,771,869
3.5.1PAAC_C15:Q59	Metering	Metering	July 1990 to April 2021	19.6	-	4,496,050	-	-	-	4,496,050	100.00%	4,496,050	(3,358,021)	(243,972)	894,057
3.5.1PAAC_C15:Q59	SCADA (Communications)	SCADA (Communications)	July 1990 to November 2020	4.8	-	2,472,057	-	-	-	2,472,057	100.00%	2,472,057	(2,327,606)	(57,610)	86,841
3.5.1PAAC_C15:Q59	AUC-Network	Pipelines	July 1990 to December 2024	N/A	-	3,259,334	23,465,599	-	-	26,724,933	100.00%	26,724,933	-	-	26,724,933
3.5.1PAAC_C15:Q59	AUC-NonNetwork	Pipelines	July 1990 to December 2024	N/A	-	-	412,293	-	-	412,293	100.00%	412,293	-	-	412,293
3.5.1PAAC_C15:Q59	Roads	Pipelines	July 1990 to July 2010	39.00	-	35,190	-	-	-	35,190	100.00%	35,190	(14,072)	(828)	20,290
										-	100.00%	-			-
										-	100.00%	-			-
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										-	100.00%	-			-
										-	100.00%	-			-
	Total pipeline assets				-	**388,373,840**	**23,739,142**	**-**	**(14,564)**	**412,098,418**		**412,098,418**	**(214,573,026)**	**(10,637,550)**	**186,887,842**

Table 3.5.2: Shared assets at cost

Basis of Preparation ID	Description	Category	Acquisition date	Useful life	Opening Cost Base	Current year additions	Current year capitalised maintenance or improvements	Current year disposals or Early termination	Cost base	% Cost adjustment for accelerated depreciation (if applicable)	Adjusted cost base	Prior years' accumulated depreciation	Current year depreciation	Written down value
				Years	$ nominal	$ nominal	$ nominal	$ nominal	$ nominal		$ nominal	$ nominal	$ nominal	$ nominal
3.5.1PAAC_C15:Q59	Shared property, plant and equipment	Shared property, plant and equipment	July 1990 to December 2024	5.0	12,279,673	716,419	-	-	12,996,092	100.00%	12,996,092	(7,470,466)	(1,235,625)	4,290,066
									-	100.00%	-			-
									-	100.00%	-			-
									-	100.00%	-			-
									-	100.00%	-			-
									-	100.00%	-			-
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									-	100.00%	-			-
									-	100.00%	-			-
									-	100.00%	-			-
									-	100.00%	-			-
	Total fixed assets				12,279,673	716,419	-	-	12,996,092		12,996,092	(7,470,466)	(1,235,625)	4,290,066

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Shared supporting assets

Please ensure allocation methodologies are explained in sufficient detail within the Basis of Preparation as required under the Guideline.

Table 3.6.1: Shared supporting asset allocation

Basis of Preparation ID	Description (list each individual shared asset category greater than 5%)	Category of shared assets	Total amount	% allocated to pipeline	Total allocated to pipeline
			$ nominal		$ nominal
3.6.1SSAA_C15:G47	Software	Shared property, plant and equipme	19,473,167	2%	393,482
3.6.1SSAA_C15:G47	IT Computers Desktop Equipment	Shared property, plant and equipme	18,398,643	1%	175,752
3.6.1SSAA_C15:G47	Plant and Equipment	Shared property, plant and equipme	5,748,695	3%	144,600
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Total			43,620,505		713,833

The Australian Energy Regulator (AER) issued Pipeline Information Disclosure Guidelines (the Guideline) in October 2023 under Part 10 of the National Gas Rules. This Guideline requires service providers to publish certain financial information in relation to pipelines.

This Basis of Preparation relates to the information reported for the Queensland Gas Pipeline (QGP) for the reporting period 1 January to 31 December 2024 (reporting period). Jemena Queensland Gas Pipeline (1) Pty Ltd and Jemena Queensland Gas Pipeline (2) Pty Ltd (collectively, service providers) are the service providers of the pipeline. For the purposes of section 1.7 of the Guideline, the members of the service provider group have appointed Jemena Queensland Gas Pipeline (1) Pty Ltd as the responsible service provider for the purposes of publishing the information.

The Queensland Gas Pipeline is a non-scheme pipeline under the National Gas Law.

To apply the Guideline we have adopted the following general interpretations:

•Acquisition costs and associated dates (mainly in the Recovered Capital Method (RCM) template) are determined by reference to the ownership of the pipeline by the Jemena Group. This means for instance that acquisition of the QGP occurred on 1 Aug 2007 when the Jemena Group acquired the pipeline.

•Actual information includes information calculated directly from information contained in Jemena Group's systems and other records whose presentation is not dependent on material judgement. Estimated information is anything other than actual information.

•To meet the requirements of the Guideline when compiling the RCM valuation (section 4.1) the service providers undertook all reasonable steps to obtain historical information where this was not already available to the Jemena Group. These steps are further explained in the RCM secton of this basis of preparation.

The rest of this basis of preparation document explains how we have populated each of the templates required by the Guideline, including by identifying where estimated data was used when actual data was not available.

1. Pipeline information

Service providers are required to report the details of the pipeline, pipeline services provided and whether these services are provided to related parties and non-related parties.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
1.1	Pipeline details	N/A - No BoP Reference cells in the AER template	Pipeline Location and Length Number of Customers Service Type Pipeline Nameplate Capacity Construction	Actual	NA	Pipeline Location and Length GIS Number of Customers PypIT Service Type AEMC's gas pipeline register Pipeline Nameplate Capacity Refer to basis of preparation for Table 5.3. Construction Date 30th June 1989	NA	**Pipeline Location and Length** The pipeline lengths are calculated in the Geographic Information System (GIS) by summing the geometric lengths of the pipeline and all its laterals. Pipeline Map Link: https://www.jemena.com.au/siteassets/asset-folder/documents/pipeline/qgp/qgp-map-dated.pdf **Number of Customers** Number of contracted customers are calculated by running a PypIT invoice summary report and pivoting this for the number of customers in the period.. PypIT is the billing/invoicing system used by the pipeline. PypIT records customer contract information and provides customer volumes and revenue data by service type. **Service Type** As per AEMC's gas pipeline register of pipeline classification under the National Gas Law: https://www.aemc.gov.au/energy-system/gas/gas-pipeline-register **Pipeline Nameplate Capacity** Refer to basis of preparation for Table 5.3. **Construction Date** Construction date is interpreted as the mid-point of the year when construction commenced.	None Noted
1.2	Pipeline services provided	N/A - No BoP Reference cells in the template	Pipeline services provided	Actual	NA	PypIT	NA	Based on current service offerings as described below. **Service description** A Commercial Operations SME reviewed all services provided and made available to customers during the reporting period based on which the template was populated. **Provided to non-related parties** All services were provided to non-related parties based on a review of the PypIT customer listing and relevant supporting contracts. **Provided to related parties** No services were provided to related parties.	Other pipeline services provided This includes Day Ahead Auction revenue.

2. Revenue and expenses

An overview of the revenue generated from pipeline operations and the costs associated with the pipeline, published by pipeline services.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
2.1	Statement of pipeline revenue and expenses by service	NA	NA	NA	NA	NA	NA	NA	NA

2.1 Profit & Loss statement by components

An overview of the revenue generated from pipeline operations and the costs associated with the pipeline, published by P&L components.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
2.1.1	Statement of pipeline revenue and expenses by component	2.1.1SOPRAEBC_D13:I22	Description: Direct revenue by pipeline	Actual	N/A	PypIT and SAP	None noted	**Amount excluding related party transactions:** **Total service revenue** Refer to Table ID 2.2.1, which includes an explanation of how revenue is allocated to 'Description' categories. **Customer Contributions revenue** None **Government Contributions revenue** None **Profit from sale of fixed assets & Other direct revenue** Items reported in this description category based on review of the SAP general ledger extract. **Other indirect revenue** None **Reporting period – Amounts excluding related party transactions** No related party revenue transactions were noted in the review of the SAP ledger transactions and the supporting customer artefacts, therefore all revenue has been reported within the 'Amount excluding related party transactions' column.	None noted
2.1.1	Statement of pipeline revenues and expenses by component	2.1.1SOPRAEBC_D24:I45	Description: Direct expenses by pipeline Shared expenses by pipeline	Actual	N/A	SAP	None noted	The pipeline uses an Enterprise Resource Planning (ERP) system (SAP) to record its financial transactions. Costs are collected in planned maintenance orders (PMO) that cascade up to projects (WBS elements) in SAP based on the activity, on which an employee works or where an external supplier provides goods/services. Reporting tools (BI and Analysis for Office) are used to download the operating expenditure costs from SAP. The data is aggregated by WBS element and general ledger account code (cost element) and mapped into the relevant cost category of the template. **Related party and non-related party** The majority of costs that the service provider incurs are sourced from a related entity, Jemena Asset Management Pty Ltd (JAM). JAM records costs that are attributable to the service provider and uses SAP functionality to transfer such costs at zero margin to the service provider. These costs are reported in the 'related party transactions' column. **Direct costs and Shared costs** Direct and shared cost classification is based upon the activity/service category codes included as part of the WBS element structure for each project. An activity/service mapping table is used to map activities into relevant cost categories: -Direct Costs: For example, Commercial Management (customers and markets, strategy and market development, project development), Business Operations (integrated business performance, operations excellence, control room monitoring, commercial support), Asset management (asset investment, plant performance, planning & assessment, information & maintenance support), Service Delivery (construction, maintenance and faults, metering, emergency response). Directly attributable costs are allocated to pipeline through a PM Order which is the lowest level cost collector. PM Order's settle or cascade up to a specific project (WBS) in SAP. -Shared Costs: Enterprise Support Functions (For example, executive management, finance, legal, human resources, information technology (IT) etc.). Note: Shared costs flow into Table 2.1.1 from Table 2.5.1 Shared cost allocation.	None noted
								Mapping Opex into the template 'Description' categories: The cost element description field from costs within the pipeline was used to map into the template's categories (e.g. 'wages', 'other direct costs', 'employee costs', 'indirect operating expenses', etc.). The pipeline has interpreted direct wages as the payroll costs of staff who are not enterprise support functions. The pipeline's shared employee costs are the allocated payroll costs of enterprise support function staff such as finance, legal, people, safety and environment. Where project descriptions and activity/service category codes support classification within a more specific category then the cost element-based mapping was overridden . The following description categories were populated based on project description/activity code mapping: -Information technology and communication costs -Rental and leasing costs -Repairs and maintenance -Leasing and rental costs Note: Insurance costs are included in the enterprise support costs as these are shared across the Jemena Group, therefore a $nil value has been reported for Direct Insurance costs. **Earnings before Interest and tax (EBIT)** Non-input cell.	None noted
2.1.1	Statement of pipeline revenues and expenses by component	2.1.1SOPRAEBC_D24:I45	Description: Depreciation (Direct expenses by pipeline) Shared asset depreciation (Shared expenses allocated to pipeline)	Actual	N/A	SAP – Fixed Asset Movement Report (FAMR) and Equipment Register The SGSP (Australia) Assets Pty Ltd (SGSPAA) Group Consolidation support schedule (Business Combination Adjustments and Goodwill)	None noted	**SAP FAMR** Depreciation expense was extracted from the annual SAP FAMR. **SGSPAA Group Consolidation supporting schedule** Depreciation expense was extracted from the SGSPAA Group Consolidation supporting schedule for pipeline assets not included in the SAP FAMR. Total depreciation was classified between direct depreciation and shared asset depreciation based on the mapping of the individual assets in the FAMR applied in Table 3.5.1 Depreciation. **Reporting period – Amounts excluding related party transactions** All depreciation expenses are recorded directly within the Pipeline and are not transferred from a related party entity and therefore are reported in the 'Amounts excluding related party transactions' column.	None noted

2.2 Allocation to pipeline services
A breakdown of revenue and expanses by each pipeline services.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
2.2.1	Revenue by service	2.2.1RBS_D13:K23	Direct Revenue (excl. capital contributions)	Actual	N/A	PypIT and SAP	N/A	**Allocation to pipeline service & -Amount excluding related party transactions** **Allocator and Allocator justification:** Each PypIT Revenue Service ID is directly attributable to a specific category of Direct Revenue based on the contract details contained in PypIT and an assessment of the nature of the service provided. Each direct revenue line item's Allocation of Pipeline Service (%) is calculated as the revenue amount ($) per line item divided by the Total direct revenue amount ($). **Allocator justification:** Numeric quantities of allocators are displayed in the reporting template. **Non-PypIT Revenue (SAP)** SAP revenue items that are not sourced from PypIT do not relate to any of the standard categories shown in the template and are reported in the 'Other' Direct revenue category based on analysis of supporting SAP journal records. Other Direct revenue is prodominently made up of imbalance charges for QGP. **Reporting period – Amounts excluding related party transactions** Based on a review of PypIT customer records and SAP supporting records, the pipeline did not have any direct revenue sourced from related parties, therefore all revenue has been reported within the 'Amount excluding related party transactions' column.	None noted
2.2.1	Revenue by service	2.2.1RBS_D25:K35	Capital Contributions	Actual		SAP		**Allocation to pipeline service & Amount excluding related party transactions** **Allocator:** Capital contributions were sourced from the pipeline's SAP general ledger and allocated to the 'Description' revenue categories based on the Direct Revenue allocator. **Allocator justification:** The Direct revenue allocator was the most appropriate for Capital Contributions where capital contributions are not attributable to a specific revenue category i.e. Customers who make capital contributions may use multiple services. In terms of allocation to services where the intention of the connection was unclear at the time of the capital works agreement subsequent revenue for that connection point was used as a basis to allocate to the different service types. Numeric quantities of allocators are displayed in the reporting template. **Reporting period -Related party transactions** Based on a review of SAP supporting records, the pipeline did not have any Capital Contributions sourced from related parties.	None noted
2.2.1	Revenue by service	2.2.1RBS_D37:K49	Indirect revenue allocated	Actual	N/A	SAP	N/A	No indirect revenue was reported as no indirect revenue was allocated to the pipeline during the reporting period as such amounts would have been recorded in the pipeline's SAP general ledger.	None noted
2.2.2	Expenses by service	2.2.2EBS_D56:K66 2.2.2EBS_D80:K91	Total direct expenses (excl. depreciation) Total shared expenses (excl. depreciation)	Actual (except for allocation to pipeline services)	Direct expenses and Shared expenses are not directly attributed in SAP into a specific Direct revenue category	Direct revenue line items	Expenses have been allocated using revenue as an allocator.	**Allocation to pipeline service & Amount excluding related party transactions** **Allocator:** Expenses were allocated to the 'Description' categories based on the Direct Revenue allocator. Allocation of Pipeline Service (%) calculated as Total direct expenses / Total shared expenses (excl. depreciation) ($) multiplied by Direct revenue line item amount ($) divided by the Total direct revenue amount ($) ratio. **Allocator justification:** The allocator is the most appropriate because there is a relationship between the economic benefits realised (direct revenue) and the economic benefits consumed (Direct expenses & Shared Expenses) as a result of operating the pipeline, and the service operator is not aware of a more appropriate allocation approach. Numeric quantities of allocators are displayed in the reporting template.	None noted
2.2.2	Expenses by service	2.2.2EBS_D68:K78	Depreciation	Actual (except for allocation to pipeline services)	Assets and the resulting depreciation expense are not attributed in SAP into a specific Direct revenue category	2.2.1 Direct revenue line items	N/A	**Allocation to pipeline service & Amount excluding related party transactions** **Allocator:** Depreciation was allocated to the 'Description' categories based on the Direct Revenue allocator. Allocation of Pipeline Service (%) calculated as Total depreciation ($) multiplied by Direct revenue line item amount ($) divided by the Total direct revenue amount ($) ratio. **Allocator justification:** The allocator is the most appropriate because there is a relationship between the economic benefits realised (direct revenue) and the economic benefits consumed (depreciation) through utilisation of the Service Provider's assets, and the service operator is not aware of a more appropriate allocation approach. Numeric quantities of allocators are displayed in the reporting template.	None noted

2.3 Revenue contributions A list of capital contributions received (including both customer and government contributions).									
Table ID	**Table Name**	**BoP ID**	**Item Name**	**Estimated/Actual**	**Why Estimated**	**Source**	**Assumptions**	**Methodology**	**Additional Comments**
2.3.1	Customer contributions received	N/A – No Basis of Preparation ID cell noted in table	Description	Actual	N/A	SAP	N/A	The SAP general ledger was reviewed to assess whether any Customer contributions were recognised as revenue. The supporting journal documentation was reviewed to assess whether or not the contribution was received from a related party.	None noted
2.3.2	Government contributions received	N/A – No Basis of Preparation ID cell noted in table	Description	Actual	N/A	SAP	N/A	The SAP general ledger was reviewed to assess whether any Government contributions received. No such transactions were identified.	None noted

2.4 Indirect revenue

A list of the indirect revenue allocated to the pipeline

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
2.4.1	Indirect Revenue allocation	2.4.1.IRA	Description	Actual	N/A	SAP	N/A	The SAP general ledger was reviewed to assess whether any Indirect revenue was received. Indirect revenue was reported as nil on the basis that there was no indirect revenue which was required to be allocated to the pipeline.	None noted

2.5 Shared expenses

Service providers are required to allocate a fair proportion of shared costs such as corporate overheads to each pipeline.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
2.5.1	Shared Cost Allocation	2.5.1SEA_D15:J36	Description categories, Income statement account applied to, Shared costs excluding related parties, Shared costs paid to related parties, (Gross shared costs), % allocated to pipeline, Total allocated to pipeline excluding related parties, Total related party amounts allocated to pipeline (Net shared costs).	Actual	N/A	SAP	N/A	Shared Costs relate to enterprise support functions such as executive management, finance, legal, information technology (IT), human resources etc. Shared costs reported are those of the broader SGSPAA Group excluding Zinfra. **Description categories** The cost element description field was used to map costs into the template's 'Description' categories (e.g. 'Employee costs', 'Indirect operating expenses', etc.). Project descriptions were also used as a basis to categorise costs into description categories (e.g. 'Information technology and communication costs'). For costs other than labour, project descriptions and activity/service category codes were used for further specific categorisation.The following description categories were populated based on project description/activity code mapping: -Information technology and communication costs. -Rental and leasing costs. Income statement account applied to Each 'Description' category row in the template is the aggregation of multiple cost element description categories and Project descriptions therefore the column 'Income statement account applied to' has been populated as 'Various'.	None noted
								Related party and non-related party: **Shared costs excluding related parties** Shared asset depreciation is the only value included in this column as depreciation is based on shared assets purchased by the Jemena Group and allocated to the pipeline. **Shared costs paid to related parties:** The gross shared costs paid to related parties for enterprise support functions (e.g. Finance, Legal, Managing Director) are the total shared costs incurred across the Jemena Group before allocating to specific assets (e.g. pipelines). Gross shared costs are collected in SAP at the JAM entity. It is from this entity that the allocation of shared costs occurs. These allocated costs are transferred to the pipeline using SAP functionality and mapped into the template categories based on a methodology consistent with the approach outlined above for net shared costs, therefore based on: -cost element mapping and -project descriptions and activity/service category codes **Percent (%) allocated to pipeline and total allocated to pipeline excluding related parties,** As described above, the majority of shared costs that the pipeline incurs are sourced from a related entity JAM which records costs that relate to the pipeline and uses SAP functionality that transfers such costs at zero margin to the pipeline. These costs are reported in the 'Shared costs paid to related parties' column.	None noted
								Allocator: Shared costs are allocated in the following ways: Non directly attributable costs are allocated using two steps: Step 1: Jemena Group level enterprise support function costs are allocated to the Pipelines group based on the specific causal drivers attributed to each separate type of Shared Cost, with a range of allocation drivers used as appropriate for each type of cost including surveys of headcount effort, surveys of digital application usage, emissions volumes, revenue and EBIT. Step 2: Shared costs are then allocated to each pipeline based on a management survey of the support effort consumed by each pipeline. **Allocator justification:** The allocators used to allocate shared enterprise support function costs are the most appropriate because the allocator is the best estimate of the benefits consumed by the respective Jemena Group assets. The costs allocated to each shared expense 'Description' category (e.g. 'Employee costs', 'information technology and communication costs' etc.) is an aggregate of many projects with varying cost allocation percentages from the different shared functions. The percentage allocated to a pipeline is calculated as: Amounts allocated to pipeline divided by the gross amount across the Jemena Group. The shared costs allocated to the pipeline is sourced from SAP using a combination of projects and cost elements. Numeric quantities of allocators are displayed in the reporting template.	None noted

3. Asset value - Depreciated Book Value Method (DBVM) (For Non-scheme pipeline only) An overview of the assets utilised in the pipeline operations based on DBVM.									
Table ID	**Table Name**	**BoP ID**	**Item Name**	**Estimated/Actual**	**Why Estimated**	**Source**	**Assumptions**	**Methodology**	**Additional Comments**
3.1.1	Pipeline assets (DBVM)	3.1.1PADBVM_D18:E80 3.1.1PADBVM_D106:E119	Pipeline assets, Shared supporting assets	Per source material	N/A	FAR	Refer to assumptions in table 3.5.1: Pipeline assets at cost and table 3.5.2: Shared assets at cost.	Per source material for non-input cells referencing 'Table 3.5.1: Pipeline assets at cost' and 'Table 3.5.2: Shared assets at cost'. No revaluation of pipeline assets The service provider confirms that the pipeline's assets are measured at historical cost in accordance with AASB 116 Property, Plant and Equipment, none of the pipeline's assets have been revalued since the acquisition date. The pipeline does not depreciate land but does depreciate easements that have a fixed term life. To align with the presentation of information required in Table 3.1.1, the opening cost base in the comparative column has been revised to reflect the opening accumulated depreciation. Current year depreciation has been included in the additions for the current reporting period. **For shared assets** Allocator: Shared assets are allocated to pipelines in the following way: Non directly attributable costs are allocated to pipelines based on the approved capex business case which outlines the case by case assessment of the specific SPSPAA Group business units that will benefit from the new asset. At the time of commissioning the new asset it is reassessed to confirm that the allocation to split the assets aligns with the expected benefits from the asset. **Allocation Justification:** The Business Case and commissioning benefit review is the most appropriate allocator because it best aligns with how the future economic benefits from the assets are expected to be realised. Numeric quantities of allocators are displayed in the reporting template.	None noted
3.1.1	Pipeline assets (DBVM)	3.1.1PADBVM_D97:E102	Other non-depreciable pipeline assets	Actual	N/A	SGSPAA Group Consolidation support schedule (Fair Value Adjustments and Goodwill) SAP	N/A	**Other non-depreciable pipeline assets - SGSPAA Group Consolidation support schedule** The amounts reported include goodwill which arose from the acquisition of the pipeline. As there is no specific Goodwill category, the pipeline has included $10,939,239 of goodwill in the 'Other non-depreciable pipeline assets' in the template. This category also includes other non-depreciable pipeline assets including receivables of $600,032,993, of which the intercompany receivables amount to $597,265,499 **Other non-depreciable pipeline assets – SAP TB** Amounts have been extracted from the pipeline's Trial Balances for the reporting period and include GL accounts such as accrued receivables, inventories, deferred tax assets and amounts due from related parties. SAP has functionality that records and identifies any transactions from related parties to the pipeline, known as trading partner. Related party loan accounts with each trading partner entity were aggregated, where the receivable amount was greater than the payable amount the net amount was reported in 'Other non-depreciable pipeline assets'. Where the payable amount was greater than the receivable amount, the balance was a net liability and therefore not included in 'Other non-depreciable pipeline assets' in the template. The pipeline has a legally-enforceable right to set off the recognised amounts and the pipeline intends either to settle on a net basis or realise the asset and settle the liability simultaneously. In accordance with accounting standards the pipeline has netted off deferred tax assets and liabilities in its Balance Sheet.	None noted
3.1.1		3.1.1PADBVM_D121:E123	Inventories, Deferred tax assets, Other assets	Actual	N/A	SAP	N/A	The pipeline's Inventories, deferred tax assets and other assets are not shared assets, they form part of Pipeline Assets and are reported on the row 'Other non-depreciable pipeline assets.	None noted
3.1.2		3.1.2ICOPADBVM_D132	Initial costs of pipeline assets (DBVM)	Actual	N/A	Published Accounts of SGSP (Australia) Assets Pty Ltd	N/A	The acquisition costs incurred were sourced from Group's published accounts. Where necessary, Group costs were allocated to individual pipelines based on a valuation report from the acquisition.	None noted

3.2 Asset value - Regulatory Asset Base (RAB) (For Scheme pipeline only)
An overview of the assets utilised in the pipeline operations based on RAB.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
3.2.1	Pipeline Assets (RAB)	3.2.1RAB	NA	NA	NA	NA	NA	NA	This table is only required for scheme pipelines. The pipeline is not a scheme pipeline.

3.3 Asset useful life

The asset useful life schedule, which provides the basis for calculating depreciation for different classes of assets and the reason for choosing this basis.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
3.3.1	Asset useful life	3.3.1AUL_D11:F39	Description (list each individual balance sheet item), Commission date (provide a range), Useful life years, Reason for choosing this useful life	Actual	NA	SAP	NA	**Description (list each individual balance sheet item)** The 'Description' column was referenced from the 'Description' column as listed in: -Table 3.3.1: Pipeline assets at cost -Table 3.3.2: Shared assets at cost Assets under construction (AUC) are assets that are still in the process of being constructed and not yet installed ready for use, therefore they are excluded from Table 3.1.1 The pipeline does not depreciate land but does depreciate easements that have a fixed term life. **Commission date (provide a range)** The assets in the FAMR sourced from SAP, have been aggregated into similar 'Description' items in Table 3.1.1. For each asset 'Description' category the date pipeline was commissioned and most recent asset commissioning dates were extracted for disclosure. **Useful life years** The useful life for each category was calculated based on the weighted average cost useful life formula below with the information sourced from FAMR. Weighted average cost useful life equals: (Opening Cost + Acquisitions+Retirements)/Total Description Cost Note that the Total Description Costs is the sum of Opening cost + Additions– Retirements. $*Asset\ useful\ life$ Asset class with an indefinite useful life has been excluded from the above calculation.	None noted
				Actual	NA		NA	**Reason for choosing this useful life** The pipeline defines the useful (economic) life of individual assets in accordance with Australian Accounting Standards and the period over which the pipeline expects to derive economic value from the asset. The estimation of the economic useful life of an asset is a matter of judgement based on the Jemena Group's experience with similar assets and consideration of the specific circumstances relevant to that asset. Additionally, economic useful life of an asset is considered in relation to the life assigned to similar assets within the asset category. Because an asset category contains a significant number of assets that have different useful lives, the useful lives reported in Table 3.3.1 reflect the weighted average of the standard asset lives of the assets included in the relevant asset category.	None noted

3.4 Asset impairment

A schedule of impairments made to pipeline assets and impairment reversals.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
3.4.1	Asset Impaired	3.4.1AI	Asset description, Impairment amount $ nominal, Impairment date, Basis for impairment	Actual	NA	SAP	NA	Reviewed the SAP general ledger to identify whether any impairment transactions have been recorded. No Impairment recorded for the current year.	None noted
3.4.2	Asset Impairment Reversals	3.4.1AIR	Asset description, Prior Impairment amount $ nominal, Impairment date, Basis for impairment, Reversal amount $nominal, Reversal date, Basis for Reversal	Actual	NA	SAP	NA	Reviewed the SAP general ledger to identify whether any reversal of impairment transactions have been recorded.	None noted

3.5 Depreciation amortisation

A depreciation schedule to show the depreciation calculation for pipeline assets,

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
3.5.1 3.5.2	Pipeline assets at cost - pipeline assets & Shared assets at cost (less straight-line depreciation)	3.5.1PAAC_C15:Q59 3.5.2SAAC_D66:P84	Description, Category, Acquisition date (provide a range), Useful life, Estimated residual value, Opening Cost Base , Current year additions, Current year capitalised Maintenance or improvements, Current year disposals or Early termination, Adjusted Cost Base, Prior years' accumulated depreciation Current year depreciation, Written Down Value	NA	NA	SAP FAMR and equipment listing report The SGSPAA Group Consolidation support schedule (Business Combination Adjustments and Goodwill)	NA	Downloaded the annual SAP FAMR which lists individual assets. Directly attributable costs are allocated to pipeline through a PM Order which is the lowest level cost collector. PM Order's settle or cascade up to a specific Capex project (WBS) in SAP. Capex WBS settle to the specifically identifiable assets in the SAP FAR. **Category** Each asset was mapped into the relevant categories provided in the AER template drop down list (e.g. Pipeline, Compressor, City Gates etc.) based on: analysis of the FAMR Asset description & Asset class;input from engineers and subject matter experts; and where relevant, analysis of a separate corresponding equipment listing report which contains more detailed information than the FAMR. **Description** The asset description was mapped to the categories in the template except for the following items which were not included in the AER's drop down list of categories: AUC Network, AUC-Intangibles, AUC Non-Network. AUC are assets that are still in the process of being constructed and not yet installed ready for use. Therefore depreciation expense was not yet applied. **Acquisition date (provide a range)** Refer to 'Commission date' explanation for Table 3.3.1 Asset useful life. **Useful life** Refer to 'Useful life' explanation for Table 3.3.1 Asset useful life.	None noted
								Estimated residual value The service provider has estimated there to be no residual value for all pipeline assets which is in accordance with its internal Property, Plant and Equipment policy and aligns with AASB 116 Property, Plant and Equipment which recognises that in practice, the residual value of an asset is often insignificant and therefore immaterial in the calculation of the depreciable amount (AASB 116(53)). Opening Cost Base, Current Year Additions and Current Years Disposals or Early Terminations, Prior years' accumulated depreciation Current year depreciation, Written Down Value The annual SAP FAMR report was generated with asset 'Category' detail overlayed (per 'Category' explanation above') which included separate columns for: -Opening Cost Base -Current Year Additions -Current Years Disposals or Early Terminations -Prior years' accumulated depreciation -Current year depreciation -Written Down Value The pipeline does not depreciate land but does depreciate easements that have a fixed term life. To align with the presentation of information required in Table 3.1.1, the opening cost base in the comparative column has been revised to reflect the opening accumulated depreciation. Current year depreciation has been included in the additions for the current reporting period. **Capitalised Maintenance** The pipeline does not have any capitalised maintenance. Maintenance costs such as day to day servicing including labour, consumables and spare parts are excluded from measurement of an item of PPE in accordance with the SGSPAA Group's PPE policy and AASB 116 (12). **Other depreciable pipeline assets - SGSPAA Group Consolidation support schedule** Contract intangibles and Capitalised interest sourced from the SGSPAA Group Consolidation support schedule have been reported within the 'Other depreciable pipeline assets' category.	None noted

3.6 Shared supporting assets
Provides the basis for allocating shared assets to the pipeline.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
3.6.1	Shared Supporting Asset Allocation	3.6.1SSAA__C15:G47	Description (list each individual shared asset category greater than 5%), Category of shared assets, Total amount, % allocated to pipeline, Total allocated to pipeline	Actual	NA	SAP – FAMR & project cost download for Shared Assets Capex at the pipeline's level.	None noted	**Description (list each individual shared asset category greater than 5%)** 'Shared asset' category description' in the FAMR were reported in Table 3. 5.2. Interpreted that shared asset category additions during the reporting period were to be disclosed when greater than 5% of Total Shared costs were allocated to the service provider's pipeline. Shared property, plant and equipment – Additions in Table 3.1.1 align to Table 3.6.1 additions. **Category of shared assets** The 'Category of shared assets' was reported as 'Other Shared' based on the nature of the asset additions and referenced to the drop down list of categories in Table 3.5.2. **Total amount** Costs are collected in projects (WBS elements) in SAP based on the activity, on which an employee works or an external supplier provides goods/services. For shared assets the capex costs are collected in a WBS element before allocating the shared asset costs to the relevant pipelines/distribution network assets. The pipeline aggregates the shared asset additions into the relevant asset classes as per the template. **% allocated to pipeline** The percentage allocated to the pipeline was calculated as: 'Total allocated to the pipeline' divided by the 'Total Amount' Where: -'Total allocated to the pipeline' is defined below; and -'Total Amount' is defined above. **Total allocated to pipeline** Shared Asset additions during the reporting period were aggregated by the 'Asset class description' field in the FAMR. Refer to Table ID 3.1.1 for the explanation of how shared assets were allocated to the pipeline.	None noted

4. Asset value - Recovered Capital Method (RCM)
The asset valuation statement arising from the application of the Recovered Capital Method.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
4.1	Pipeline assets (RCM)	4.1PARCM_F14:BH14	Pipeline assets: Construction cost (1989-1991)	Actual	N/A	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F15:BH15	Pipeline assets: Residual value (1989-2023)	Estimate	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F15:BH15	Pipeline assets: Residual value (2024)	Estimate	Cost have not yet been incurred to decommission the pipeline, therefore an estimate is inherently required to measure future costs. Further the actual timing of decommissioning the pipeline is also uncertain therefore increasing the level of estimation required. Further, the CPI escalation factor and the discount rate inputs are estimates used to inflate for forecast future price increases and then discount to the present value respectively.	Expert Engineering Report Inflation rate: SGSPAA internal 2024 budgeted CPI Discount rate: 5 year average rate for 15 year Australian Government Securities (AGS) bonds	Negative residual value is interpreted as the present value of the forecast decommissioning cost that QGP will pay when the pipeline is removed from service in the future. The expert engineering report is a reasonable basis for estimating the cost to decommission the pipeline. The 5 year average of the 15 year AGS bonds are appropriate to estimate rate of return for present value calculation purposes.	Negative residual value is calculated as: $PV(Decommissioning)_t = C_{T_E} \times \frac{(1+i)^{T_D-T_E}}{(1+r)^{T_D-t}}$ Where: -C_(T_E) is the estimated cost of decommissioning in dollars as at time T_E -T_D is the expected year of decommissioning -i is the estimated inflation rate -r is the estimated discount rate -t is the year of the estimate An expert Engineering report is the basis for estimating the decommissioning cost (C_(T_E)). Phasing of Negative Residual value The year 1 value of the decommissioning cost was reported in year 1. From 2021 onwards, each year's increment negative residual value is calculated as the movement in total negative residual value between that year and the prior year	The estimate is a best estimate because it has been calculated based on the following inputs which are sourced based on best available information: Independent technical engineering estimate of the cost to decommission the pipeline. Discount rate: 5 year average for the 15 year Australian Government Securities (AGS) bond rate. CPI escalation: SGSPAA internal CPI estimate (reasonable when compared with Australian Bureau of Statistics (ABS) rate). The pipeline's decommissioning provision reflects a bottom-up cost estimate of various remediation activities. Consistent with AS2885, the service provider used a risk-based approach to determine a mix of appropriate remediation activities for different equipment/facility types and locations, taking into account factors including expected future land use. Remediation activities include the removal of all above-ground facilities, various remediation treatments for underground pipeline (for example, grouting in higher risk locations such as road/rail/river crossings, and leaving the pipeline in place with controls in lower risk locations) and ground cover remediation/revegetation of easements as appropriate for the surrounding land.
4.1	Pipeline assets (RCM)	4.1PARCM_F16:BH16	Pipeline assets: Additions (1989-2023)	Actual	N/A	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	N/A
4.1	Pipeline assets (RCM)	4.1PARCM_F16:BH16	Pipeline assets: Additions (2024)	Actual	N/A	SAP Trial Balances and FAMR Jemena Queensland Gas Pipeline (1) Pty Ltd and Jemena Queensland Gas Pipeline (2) Pty Ltd	Additions per the FAMR were cash related. All additions are incurred mid-year.	QGP uses SAP to capture costs associated with capital expenditure. A FAMR was downloaded from SAP for each year to identify additions during that year. A check was performed to reconcile FAMR movements with the net change in fixed asset general ledger accounts. **<u>Mid-point Net Capital Expenditure Gross Up</u>** Capex additions and disposals for each year are escalated to a mid-year point to account for the return on capital for capital expenditure incurred during the year. $Mid\ Point\ Gross\ Capex = Capex \times (1 + RoR\ percentage)^{0.5}$ The Rate of Return (RoR) percentage input calculation methodology is further below in this table	N/A

4.1	Pipeline assets (RCM)	4.1PARCM_F17:BH17	Pipeline assets: Maintenance capitalised (1989-2023)	Estimate (1989-2004) and Actual (2005-2023)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F17:BH17	Pipeline assets: Maintenance capitalised (2024)	Actual	N/A	SAP Trial Balances and FAMR Jemena Queensland Gas Pipeline (1) Pty Ltd and Jemena Queensland Gas Pipeline (2) Pty Ltd	N/A	No data for capitalised maintenance was noted in the review of the FAMR and the relevant SAP Trial Balances. : Maintenance capitalised	N/A
4.1	Pipeline assets (RCM)	4.1PARCM_F18:BH18	Pipeline assets: Disposal at cost (1989-2023)	Estimate (1989-2004) and Actual (2005-2023)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F18:BH18	Pipeline assets: Disposal at cost (2024)	Actual	N/A	SAP Trial Balances and FAMR Jemena Queensland Gas Pipelines (1) Pty Ltd Jemena Queensland Gas Pipelines (2) Pty Ltd	All disposals are incurred mid-year. Assumed proceeds from sales includes 10% GST on taxable supply applied to the sales amount. Disposal (as cost) has been interpreted to mean cash proceeds from the sales of property, plant and equipment which is the equivalent to the cost paid by the 3rd party which acquired the asset.	Extracted the following item from the FAR: Proceeds from sales of property, plant and equipment. Where there is an amount for Proceeds on sales of property, plant and equipment, GST has been removed by multiplying the proceeds by 10/11. Mid-point Net Capital Expenditure Gross Up Refer to Construction Cost - Mid-point Net Capital Expenditure Gross Up explanation.	N/A
4.1	Pipeline assets (RCM)	4.1PARCM_F24:BH24	Shared assets: Additions (1989-2023)	Actual	N/A	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F24:BH24	Shared assets: Additions (2024)	Actual	N/A	SAP Trial Balances and FAMR Jemena Queensland Gas Pipeline (1) Pty Ltd and Jemena Queensland Gas Pipeline (2) Pty Ltd	N/A	Assets were aggregated by year based on the year within the Capitalisation date (date field). Shared assets were identified based on: analysis of the FAMR Asset description & Asset class; input from engineers and subject matter experts; and where relevant, analysis of a separate corresponding equipment listing report which contains more detailed information than the FAMR. Shared asset additions were aggregated by year based on the year within the field Capitalisation date.	N/A

4.1	Pipeline assets (RCM)	4.1PARCM_F22:BH23 , 4.1PARCM_F25:BH26	Shared assets: Construction cost or acquisition cost (where allowed) apportioned, Residual value, Maintenance capitalised, Disposal (at cost) (1989-2023)	Estimate (1989-2004) and Actual (2005-2023)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F22:BH23 , 4.1PARCM_F25:BH26	Shared assets: Construction cost or acquisition cost (where allowed) apportioned, Residual value, Maintenance capitalised, Disposal (at cost) (2024)	Actual	N/A	SAP Trial Balances and FAMR Jemena Queensland Gas Pipeline (1) Pty Ltd and Jemena Queensland Gas Pipeline (2) Pty Ltd	N/A	No data for the following items were noted in the review of the SAP FAMR and the relevant SAP Trial Balances: Construction cost or acquisition cost (where allowed) apportioned, Maintenance capitalised Disposal (at cost)	N/A
4.1	Pipeline assets (RCM)	4.1PARCM_F31:BH31	Return of capital: Revenue (1989-2023)	Estimate (1996-2004) and Actual (1990-1995, 2005-2023)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F31:BH31	Return of capital: Revenue (2024)	Actual	N/A	SAP Trial Balances of: Jemena Queensland Gas Pipelines (1) Pty Ltd. and Jemena Queensland Gas Pipelines (2) Pty Ltd	The only revenue of the entity was pipeline revenue.	QGP uses its SAP system to capture revenue transactions. A calendar year trial balance was generated from the SAP system and the revenue general ledger accounts were aggregated.	N/A
4.1	Pipeline assets (RCM)	4.1PARCM_F32:BH32	Return of capital: Operating expenses (1989-2023)	Estimate (1996-2004) and Actual (1990-1995, 2005-2023)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F32:BH32	Return of capital: Operating expenses (2024)	Actual	N/A	SAP Trial Balances of: Jemena Queensland Gas Pipelines (1) Pty Ltd. and Jemena Queensland Gas Pipelines (2) Pty Ltd	No material non-cash items are included in the operating expenditure general ledger accounts reported. Depreciation is the key non-cash item which has been removed.	Extracted and summed the dollar amounts of operating expenditure general ledger accounts from each calendar year's trial balance excluding: Interest Depreciation, and Tax Expense.	N/A

4.1	Pipeline assets (RCM)	4.1PARCM_F33:BH33	Return of capital: Net tax liabilities (1989-2023)	Estimate	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F33:BH33	Return of capital: Net tax liabilities (2024)	Estimate	QGP is part of a consolidated tax group and does not pay corporate tax as a stand-alone entity. Therefore the net tax liability needs to be estimated.	SAP Trial Balances of : Jemena Queensland Gas Pipeline (1) Pty Ltd, and Jemena Queensland Gas Pipeline (2) Pty Ltd Gamma (imputation credits) have been sourced from the AER's 2022 Rate of Return Instrument.	'Net tax liability' is interpreted as the notional cash tax payable that would be payable if the pipeline was a stand-alone entity less the estimated imputation credits received by the stand-alone entity. When estimating each year's tax depreciation, current year net capex was assumed to be incurred mid-year and therefore only a half year of depreciation was incurred.	The pipeline is part of a consolidated tax group and does not pay corporate tax as a stand-alone entity. Therefore the net tax liability needs to be estimated. The accounting profit and loss has been reviewed to identify material non-cash items that may require adjustment for when estimating the net tax liability cash flow. Net tax liability is calculated as: (Profit/(loss) before interest, tax, depreciation and amortisation Less Estimated tax depreciation Less Estimated interest expense) multiplied by the tax rate (i.e. 30%). Multiplied by (1-Gamma) to consider the tax benefit of the imputation credits. Tax Depreciation sourced from the SAP Fixed Asset Tax Register. Interest expense sourced from SGSP (Australia) Assets Pty Ltd ("SGSPAA") Annual Report segment note calculated as: SGSPAA interest expense multiplied by Pipeline total assets divided by SGSPAA Total Assets. Gamma (imputation credits) have been sources from the AER's RoR instrument for 2022. (57%)	EBITA is the best approach for calculating the cash flows each year and therefore is the most appropriate input into the net tax liability calculation. EBITA has been sourced from actual historic records and therefore has been arrived at on a reasonable basis. The first year of post-acquisition tax depreciation is the most appropriate basis to estimate pre-acquisition tax depreciation because it is based on an actual data source.
4.1	Pipeline assets (RCM)	4.1PARCM_F35:BH35	Return of capital: Return on capital (1989-2023)	Estimate	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F35:BH35	Return of capital: Return on capital (2024)	Estimate	Dependent on rate of return estimates.	Rate of return sources are explained in Item'Return of capital: Return on capital (Rate of return)' (2024) in this table below.	N/A	Return on capital for a given year is estimated as the opening asset value for that year multiplied by the rate of return percentage for that year. The rate of return is explained in Item 'Return of capital: Return on capital (Rate of return)' (2024) in this table below.	N/A
4.1	Pipeline assets (RCM)	4.1PARCM_F39:BH39	Return of capital: Return on capital (Rate of return) (1989-2023)	Estimate	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)

4.1	Pipeline assets (RCM)	4.1PARCM_F39:BH39	Return of capital: Return on capital (Rate of return) (2024)	Estimate	Consistent with the AER's Pipeline Information Disclosure Guideline requirements	The rate of return is estimated consistent with the requirements of the AER's Pipeline Information Disclosure Guidelines and with reference to the following source inputs: Gearing: SGSPAA Financial Report Balance Sheet and Treasury Report. Cost of debt: SGSPAA Financial Report and Treasury Report. Risk-free rate: RBA Treasury Bonds – Daily – F16 Indicative mid rates of selected Australian Government Securities Equity beta: Estimated from a sample of listed international comparators from OECD countries (0.89) Market Risk Premium (MRP): AER's RoR instrument for 2022 (6.2%)	Gearing The proportion of debt funding to capital is referred to as 'gearing'. The pipeline applies a percentage reflecting SGSPAA's actual portfolio gearing of the reporting period, consistent with the AER's Pipeline Information Disclosure Guideline. Gamma (Imputation credits) 57% as determined in the AER's 2022 RoR instrument. Cost of debt (pre-tax) Calculated as the SGSPAA actual portfolio cost of debt for the reporting period, consistent with the AER's Pipeline Information Disclosure Guideline. Cost of equity (post-tax) The pipeline adopts the methodology consistent with $r_e = r_f + \beta_e(r_m - r_f)$ e AER's Pipeline Information Disclosure Guidelines.	Weighted Average Cost of Capital (WACC) The pipeline estimates the rate of return as the nominal vanilla WACC. This approach estimates the rate of return as the weighted average of opportunity costs assessed across two sources of capital funding: debt and equity. $$WACC^{vanilla} = gearing \times r_d + (1 - gearing) \times r_e$$ Where r_d is the cost of debt, and r_e is the cost of equity. Gearing The proportion of debt funding 'gearing' has been sourced consistent with the requirements of the AER's Pipeline Information Disclosure Guidelines using current financial information used in statutory, management and budgeting reporting. Cost of debt Cost of debt is calculated by dividing SGSPAA interest expense by SGSPAA Debt. Cost of equity. The cost of is estimated using the Sharpe-Lintner capital asset pricing model (S-L CAPM). $$r_e = r_f + \beta_e(r_m - r_f)$$ where: r_e is the cost of equity; r_f is the risk free rate; $r_m - r_f$ is the Market Risk Premium (**MRP**); and β_e is the equity beta.	Using a WACC as an estimate for rate of return is an accepted methodology adopted by the Australian Energy Regulatory (AER) and therefore represents the best estimate possible for this reporting. The data inputs into the WACC have been sourced from published AER accepted sources aligning to Part 10 Pipeline information disclosure guidelines.
								Equity beta: Estimated from a sample of listed international comparators from OECD countries with the following criteria: be in all three of: (1) Bloomberg Industry Classification (BICs): Gas Distribution or Midstream Oil and Gas (2) MSCI and S&P Dow Jones Indices Global Industry Classification (GICs): Gas Utilities or Oil and Gas transport (3) FTSE Russell Industry Classification Benchmark (ICB): Gas distribution or Pipeline –have an investment grade credit rating from S&P, Moody's or Fitch –with liquidity (bid-ask-spread) of less than 0.5% –has gearing greater than 0% Risk-free rate: Estimated shortly prior to the commencement of the year for which the rate of return is being set. This is estimated by reference to 10-year RBA Treasury Bonds for a 10-day period from 20 October 2023 to 2 November 2023	
4.1	Pipeline assets (RCM)	4.1PARCM_F39:BH39	For information: Rate of return (WACC) (1989-2024)	Estimate	Impact of Rate of return components.	Items 'Return of capital: Return on capital'(2024) in this table above.	N/A	**Rate of return (WACC).** = Return on capital in row 35 of the template / Opening asset value in row 38 of the template Where the opening or closing asset value (excluding negative residual value) is zero, we report N/A	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	N/A	Additional comments	N/A	N/A	N/A	N/A	N/A	The depreciated book value method and recovered capital method are fundamentally different methodologies and should generally be expected to result in different asset values. The depreciated book value method reflects depreciation applied in accordance with applicable accounting standards and a standard asset life, whereas the recovered capital method determines return of capital (depreciation) by considering the revenue generated and costs associated including operating expenses, net tax liabilities, and return on capital. As described above, under the RCM, pipeline asset additions are subject to a mid-point net capital expenditure gross up, while this adjustment is not made to additions reported under the DBVM. Additionally, the RCM considers the construction costs as incurred, whereas the DBVM may also consider other costs associated with the purchase of the pipeline.

4.1 Pipeline capital expenditure

Capital expenditure greater than 5% of construction cost, historical expansions/extensions and any planned expansions/extensions that have advanced to "Final Investment Decision" stage.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
4.1.1	Capital expenditure greater than 5% of construction cost	4.1.1CEGTOCC_D15:E41	Description of works, Date recognised, Expenditure ($ nominal)	Actual	NA	SAP	Capital expenditure recorded represents the initial construction cost of the pipeline.	The service provider analysed the underpinning data for the RCM template and with a view to identifying any projects where capex was greater than 5% of the construction cost across the years. **Actual** The service provider extracted Description of works, Date recognised and Expenditure ($ nominal) from the SAP FAMR, SAP WBS elements cost download.	None noted
4.1.2	Historical expansions and extensions	4.1.2HEAE_C47:E73	Description of works, Date recognised, Expenditure ($ nominal)	Actual	NA	SAP FAMR	NA	The service provider analysed the underpinning data for the RCM template to identify any projects where there was capital expenditure incurred for historical expansions and extensions. Reviewed the SAP FAMR and identified high value assets additions. Reviewed the high value asset additions and extracted the following data: Asset description, date capitalised and asset cost base. Reviewed the high value assets items with SME to confirm that the data extracted from the SAP FAMR aligned with SME knowledge of historic expansions and extensions. To ascertain the technical details of the expansion and extension projects of the QGP, the service provider referred to information including its fixed asset register, relevant design basis documents, asset management plans that are in the service provider's possession, as well as internal business SMEs. The Fairview Lateral extension was a pipeline lateral between Fairview Meter Station and Ridgelands. It was commissioned in 1998 and has a nameplate capacity of 110 TJ/d. Direct capital expenditure associated with this project is set out in the reporting template. Incremental operating expenditure in relation to this project is not able to be identified, as the service provider was not required to record information in such a manner when this project was undertaken. Assets constructed and installed as part of this project may be used to provide a range of pipeline services, and costs are allocated consistent with the allocation methodology set out in relation to template 2.2. The asset lives of the pipeline assets constructed and installed as part of this project are consistent with the standard asset lives reflected in table 3.3.1.	None noted

					NA		NA	The first expansion of the QGP took place between 2008 and 2010 and commissioned in 2010. It included 113km of pipeline looping between Oombabeer Scraper Station to Callide Station and the installation of two compressor stations at Bannana and Rolleston. This expansion project increased the QGP nameplate capacity from 80TJ/d to 135TJ/d. Direct capital expenditure associated with this project is set out in the reporting template. Incremental operating expenditure in relation to this project is not able to be identified, as the service provider was not required to record information in such a manner when this project was undertaken. Assets constructed and installed as part of this project may be used to provide a range of pipeline services, and costs are allocated consistent with the allocation methodology set out in relation to template 2.2.1 The asset lives of the pipeline assets constructed and installed as part of this project are consistent with the standard asset lives reflected in table 3.3.1. The second expansion of the QGP took place between 2013-2015 and was commissioned in 2015. The expansion involved pipeline looping between the Arcadia Valley Mainline Valve (MLV4) to the Rolleston Compressor Station. This expansion increased the QGP nameplate capacity from 135TJ/d to 145/d. Direct capital expenditure associated with this project is set out in the reporting template. Incremental operating expenditure in relation to this project is not able to be identified, as the service provider was not required to record information in such a manner when this project was undertaken. Assets constructed and installed as part of this project may be used to provide a range of pipeline services, and costs are allocated consistent with the allocation methodology set out in relation to template 2.2.1.Incremental operating expenditure in relation to this project is not able to be identified, as the service provider was not required to record information in such a manner when this project was undertaken. Assets constructed and installed as part of this project may be used to provide a range of pipeline services, and costs are allocated consistent with the allocation methodology set out in relation to template 2.2.1. The asset lives of the pipeline assets constructed and installed as part of this project are consistent with the standard asset lives reflected in table 3.3.1.	None noted
4.1.3	Planned expansions and extensions of capacity	4.1.3.PEAEOC	Description of the matter Proposed commissioning date, or a range of dates Expected end date, or a range of dates Facility's proposed nameplate rating, or the estimated likely range during affected period Proposed expenditure (if available, required for publicly announced expansions)	Actual	N/A		NA	Planned expansions and includes only those projects for which a Financial Investment Decision (FID) has been taken by the end of the current reporting period. Detail for new projects (description, proposed commissioning dates, proposed nameplate rating, proposed expenditure etc.) was provided by relevant SMEs. The pipeline had no planned expansions and/or extensions as at the end of the current reporting period which had passed Financial Investment Decision (FID).	None noted

5. Historical demand
Information on the amount of capacity that was contracted in each financial year and the amount of capacity that was actually used in each financial year.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
5.1	Historical Demand Information	NA	Historical demand information	NA	NA	NA	NA	NA	NA
5.2	Demand by pipeline service	N/A	Contracted MDQ: TJ/day	Actual	NA	PypIT	NA	A daily Contracted MDQ report by PID service category (e.g. Firm forward) was downloaded from PypIT for each day in the reporting period. Values shown are the average of contracted MDQ for each day in the reporting period. Note that only service types which constitute 'contracted capacity' as defined in Part 25 of the National Gas Rules are considered within the calculation of contracted MDQ. The average service category Contracted MDQ equals sum of each service categories contracted volumes for each day the reporting period divided by the number of days in the reporting period.	None noted
5.3	Daily demand	N/A	Contracted firm capacity-transportation Contracted firm capacity-storage Utilised capacity Pipeline nameplate capacity	Actual	NA	PypIT	NA	Daily demand information has been extracted from PypIT. Separate daily Contracted MDQ reports by service category (e.g. Firm forward) were downloaded from PypIT for each day in the reporting period. The reports utilised a PypIT field attached to each service which flags whether a service constitutes 'contracted capacity' (as defined in Part 25 of the National Gas Rules). **Contracted firm capacity – transportation** The contracted firm capacity (transportation) per day was calculated as the sum of daily contracted MDQ of each contracted firm active transportation service. **Contracted firm capacity – storage** The pipeline does not provide any storage services which constitute 'contracted capacity' **Utilised capacity** A PypIT daily reconciliation report was downloaded from PypIT. The daily utilised capacity is calculated as the sum of deliveries for the day plus, net volumes of gas held within park and park and loan services. **Pipeline nameplate capacity** The pipeline nameplate capacity is sourced from the engineering reports. Where a pipeline has more than one nameplate rating, the sum of each nameplate rating is displayed in the template.	None noted

6. Pricing template Provide a process or mechanism by which users and prospective users can transform the financial and historical demand information published by service providers into one or more cost-based pricing benchmarks.									
Table ID	**Table Name**	**BoP ID**	**Item Name**	**Estimated/Actual**	**Why Estimated**	**Source**	**Assumptions**	**Methodology**	**Additional Comments**
6.1	Inputs	N/A	Asset allocation to pipeline service %	Estimate	Assets are not allocated a pipeline service	Table 2.2.1 Direct revenue line items		Asset allocation to pipeline service Allocator: Ratio of the Direct revenue line item and Total Direct Revenue(excluding customer contributions) Refer to BoP for Table 2.2.2 for Direct Expenses Service allocation percentage details. Allocator justification: The allocator is the most appropriate because there is no direct link between the assets and any individual category of service. Hence allocation on the basis of revenue is most appropriate.	
6.1	AER Input	N/A	AER inputs: Average regulatory return on debt	Actual	N/A	The Average regulatory return on debt is calculated with reference to the following source inputs: SGSPAA Financial Report interest expenses and interest bearing liabilities.	Calculated as the SGSPAA actual portfolio cost of debt for the reporting period.	Average regulatory return on debt is calculated by dividing SGSPAA interest expense by SGSPAA Debt for the year ended 31 December 2024.	N/A
6.1	AER Input	N/A	AER inputs: Gearing	Actual	N/A	Gearing: SGSPAA Financial Report Balance Sheet as at 31 December 2024.	The proportion of debt funding to capital is referred to as 'gearing'. A percentage reflecting SGSPAA's actual gearing of the reporting period is applied.	The proportion of debt funding 'gearing' has been sourced based on guidance from Part 10 guidance using current financial information used in statutory, management and budgeting reporting.	N/A
6.1	AER Input	N/A	AER inputs: Statutory tax rate	Actual	N/A	Statutory tax rate has been sourced from the ATO.	N/A	Statutory tax rate has been sourced from the ATO. (30%)	N/A
6.1	AER Input	N/A	AER inputs: Gamma	Actual	N/A	Gamma (imputation credits) have been sourced from the AER's 2022 Rate of Return Instrument.	N/A	Gamma (imputation credits) have been sourced from the AER's RoR instrument for 2022. (57%)	N/A

6.1	AER Input	N/A	AER inputs: Average regulatory rate of return	Estimate	Using a WACC as an estimate for rate of return is an accepted methodology adopted by the Australian Energy Regulatory (AER) and therefore represents the best estimate possible for this reporting.	The rate of return is estimated with reference to the following source inputs: Gearing: Gearing: SGSPAA Financial Report Balance Sheet as at 31 December 2024. Cost of debt: Cost of debt: SGSPAA Financial Report interest expenses and interest bearing liabilities as at 31 December 2024. Risk-free rate: RBA Treasury Bonds – Daily – F16 Indicative mid rates of selected Australian Government Securities Equity beta: Estimated from a sample of listed international comparators from OECD countries (0.89) Market Risk Premium (MRP): AER's RoR instrument for 2022 (6.2%)	Gearing The proportion of debt funding to capital is referred to as 'gearing'. QGP applies a percentage reflecting SGSPAA's actual gearing of the reporting year. Gamma (Imputation credits) 57% as determined in the AER's 2022 RoR instrument. Cost of debt Calculated as the SGSPAA actual portfolio cost of debt for the reporting year. Cost of equity $r_e = r_f + \beta_e(r_m - r_f)$ QGP adopts the methodology provided by the AER's 2022 RoR instrument.	**Weighted Average Cost of Capital (WACC)** QGP estimates the rate of return as the nominal vanilla WACC. This approach estimates the rate of return as the weighted average of opportunity costs assessed across two sources of capital funding: debt and equity. $WACC^{vanilla} = gearing \times r_d + (1 - gearing) \times r_e$ Where r_d is the cost of debt, and r_e is the cost of equity. Gearing The proportion of debt funding 'gearing' has been sourced based on guidance from Part 10 guidance using current financial information used in statutory, management and budgeting reporting. Cost of debt Cost of debt is calculated by dividing SGSPAA interest expense by SGSPAA Debt at 31 December 2024. Cost of equity. The cost of equity for each year since the construction of the QGP is estimated using the Sharpe-Lintner capital asset pricing model (S-L CAPM). $r_e = r_f + \beta_e(r_m - r_f)$ where: r_e is the cost of equity; r_f is the risk free rate; $r_m - r_f$ is the Market Risk Premium (**MRP**); and β_e is the equity beta.	Using a WACC as an estimate for rate of return is an accepted methodology adopted by the Australian Energy Regulatory (AER) and therefore represents the best estimate possible for this reporting. The data inputs into the WACC have been sourced from published AER accepted sources aligning to Part 10 Pipeline information disclosure guidelines and Price reporting guidelines and therefore is a best estimate which has been arrived at on a reasonable basis.
								Equity beta: Estimated from a sample of listed international comparators from OECD countries with the following criteria: be in all three of: (1) Bloomberg Industry Classification (BICs): Gas Distribution or Midstream Oil and Gas (2) MSCI and S&P Dow Jones Indices Global Industry Classification (GICs): Gas Utilities or Oil and Gas transport (3) FTSE Russell Industry Classification Benchmark (ICB): Gas distribution or Pipeline have an investment grade credit rating from S&P, Moody's or Fitch with liquidity (bid-ask-spread) of less than 0.5% has gearing greater than 0% **Risk-free rate:** Estimated shortly prior to the commencement of the year for which the rate of return is being set. This is estimated by reference to 10-year RBA Treasury Bonds for a 10-day period from 20 October 2023 to 2 November 2023.	

Independent Auditor's Review Report

To the Directors of the entities that comprise the Queensland Gas Pipeline Service Provider

Conclusion

We have reviewed the Financial Information of the Queensland Gas Pipeline Service Provider (Service Provider).

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Financial Information within the Part 10 Financial Reporting Templates (Templates) for the year ended 31 December 2024 is not presented fairly, in all material respects, in accordance with the Pipeline Information Disclosure Guidelines and Price Reporting Guidelines for Part 18A Facilities issued by the Australian Energy Regulator (AER) on 27 October 2023 (Guideline) and the Basis of Preparation as prescribed by the Guideline.

The Financial Information comprises of the information within tables 4.1, 4.1.1, 4.1.2, 4.1.3 and 4.2 of the Part 10 Financial Reporting Templates for the year ended 31 December 2024 (Reporting Templates).

The Queensland Gas Pipeline Service Provider comprises the following entities: following entities:

- Jemena Queensland Gas Pipeline (1) Pty Ltd
- Jemena Queensland Gas Pipeline (2) Pty Ltd

Emphasis of matter – basis of preparation and restriction on use and distribution

We draw attention to the Basis of Preparation attached to the Reporting Templates which describes the methodologies, assumptions and judgements made by management in preparing the Financial Information.

The Financial Information presented in the Part 10 Financial Reporting Templates has been prepared to assist the Directors of the entities which comprise the Service Provider to meet their reporting requirements under the Guideline. As a result, the Financial Information presented in the Part 10 Financial Reporting Templates and this Independent Auditor's Report may not be suitable for another purpose. Our conclusion is not modified in respect of this matter.

Our report is intended solely for the Directors of the entities which comprise the Service Provider and the AER, who will receive a copy of our report and should not be used by or distributed to parties other than the Directors of the entities which comprise the Service Provider and the AER. We disclaim any assumption of responsibility for any reliance on our report, or on the Reporting Templates to which it relates, to any person other than the Directors of the entities which comprise the Service Provider and the AER or for any other purpose than that for which it was prepared.

Responsibilities of the Directors and Management for the Financial Information

Management of the Service Provider are responsible for:

- the preparation of the Financial Information presented in the Part 10 Financial Reporting Templates in accordance with the requirements of the Guideline and have determined that the basis of preparation attached to the Templates is appropriate to meet the needs of the directors of the entities which comprise the Service Provider.
- such internal control as Management determine is necessary to enable the preparation of the Financial Information presented in the Part 10 Financial Reporting Templates that is free from material misstatement, whether due to fraud or error.

Assurance Practitioner's responsibility for the review of the Financial Information in the Templates

Our responsibility is to express a conclusion on the accompanying Financial Information in the Part 10 Financial Reporting Templates.

We conducted our review in accordance with Standard on Review Engagements ASRE 2405 *Review of Historical Financial Information Other than a Financial Report* in order to conclude whether anything has come to our attention that causes us to believe that the Financial Information presented in the Part 10 Financial Reporting Templates, is not prepared in all material respects in accordance with the requirements of the Guidelines and the Basis of Preparation. This Standard also requires us to comply with relevant ethical requirements.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

Glenn Austin
Partner
Melbourne
27 June 2025

Contents

Part 10 Financial Reporting
Jemena Queensland Gas Pipeline (1) Pty Ltd
Jemena Queensland Gas Pipeline (2) Pty Ltd
Year ending 31/12/2024
Asset value - Recovered Capital Method (RCM)

This template is for a non-indexed asset value based on original construction costs and "depreciation" based on a notional cash-flow based "return of capital" approach, for non-scheme pipelines.

Table 4.1: Pipeline assets (RCM)

Basis of Preparation ID	Asset description		Total					
				1989	1990	1991	1992	1993
	Pipeline assets							
4.1PARCM_F14:BH14		Construction cost	135,917,863	100,179,545	13,360,591	22,377,727	-	-
4.1PARCM_F15:BH15		Residual Value	9,628,553	5,210,146	116,108	118,696	121,341	124,045
4.1PARCM_F16:BH16		Additions	266,530,058	-	-	-	-	-
4.1PARCM_F17:BH17		Maintenance capitalised	-	-	-	-	-	-
4.1PARCM_F18:BH18		Disposal (at cost)	(326)	-	-	-	-	-
		Leased Asset	-	-	-	-	-	-
		Pipeline assets cost base	412,076,148	**105,389,691**	**13,476,699**	**22,496,423**	**121,341**	**124,045**
	Shared assets							
4.1PARCM_F22:BH22		Construction cost or acquisition cost (where allowed) apportioned	-	-	-	-	-	-
4.1PARCM_F23:BH23		Residual Value	-	-	-	-	-	-
4.1PARCM_F24:BH24		Additions	15,212,980	-	-	-	-	-
4.1PARCM_F25:BH25		Maintenance capitalised	-	-	-	-	-	-
4.1PARCM_F26:BH26		Disposal (at cost)	-	-	-	-	-	-
		Leased Asset	-	-	-	-	-	-
		Shared assets cost base	15,212,980	-	-	-	-	-
		Total assets	427,289,128	105,389,691	13,476,699	22,496,423	121,341	124,045
	Return of capital							
4.1PARCM_F31:BH31		Revenue	1,092,470,811	-	12,433,000	18,764,000	19,268,000	20,165,000
4.1PARCM_F32:BH32		Operating expenses	(408,259,363)	-	(2,837,000)	(3,203,000)	(3,400,000)	(3,225,000)
4.1PARCM_F33:BH33		Net tax liabilities	(5,047,815)	-	-	-	-	-
		Leased Asset Interest/Financing Charge	-	-	-	-	-	-
4.1PARCM_F35:BH35		Return on capital	(1,673,013,104)	-	(17,669,669)	(20,051,071)	(23,646,652)	(24,080,153)
		Total Return of Capital	(993,849,471)	-	**(8,073,669)**	**(4,490,071)**	**(7,778,652)**	**(7,140,153)**
		Recovered capital method total asset value	1,421,138,599	**105,389,691**	**21,550,367**	**26,986,494**	**7,899,993**	**7,264,198**
	For information	Opening asset value			105,389,691	126,940,058	153,926,552	161,826,545
	For information	Rate of return (WACC)		N/A	17%	16%	15%	15%

Table 4.2: Pipeline details

Construction date	30/06/1989

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
-	-	-	-	-	-	-	-	-	-
126,809	129,635	132,524	135,477	138,496	141,583	144,738	147,963	151,261	154,632
-	-	-	82,599	12,250,751	283,426	15,558,802	28,162	81,403	43,817
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
126,809	**129,635**	**132,524**	**218,076**	**12,389,247**	**425,008**	**15,703,540**	**176,125**	**232,664**	**198,449**
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	1,384	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	**-**	**-**	**-**	**-**	**-**	**1,384**	**-**	**-**	**-**
126,809	129,635	132,524	218,076	12,389,247	425,008	15,704,924	176,125	232,664	198,449
20,974,000	22,783,000	22,692,795	11,432,551	22,650,746	22,622,790	22,656,661	22,566,802	22,538,846	22,510,890
(3,654,000)	(3,942,000)	(4,321,928)	(2,278,013)	(4,909,582)	(5,300,281)	(5,707,645)	(6,082,750)	(6,473,449)	(6,864,147)
(610,602)	(1,152,841)	(949,893)	(520,763)	(807,638)	(583,954)	(422,125)	-	-	-
-	-	-	-	-	-	-	-	-	-
(26,050,163)	(26,596,468)	(25,218,123)	(12,246,157)	(24,510,004)	(26,210,696)	(26,727,420)	(28,839,384)	(30,070,446)	(30,418,970)
(9,340,765)	**(8,908,309)**	**(7,797,149)**	**(3,612,381)**	**(7,576,478)**	**(9,472,141)**	**(10,200,529)**	**(12,355,332)**	**(14,005,049)**	**(14,772,227)**
9,467,574	**9,037,944**	**7,929,673**	**3,830,457**	**19,965,725**	**9,897,149**	**25,905,453**	**12,531,457**	**14,237,713**	**14,970,676**
169,090,743	178,558,317	187,596,262	195,525,934	199,356,391	219,322,116	229,219,264	255,124,718	267,656,175	281,893,888
15%	15%	13%	6%	12%	12%	12%	11%	11%	11%

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
-	-	-	-	-	-	-	-	-	-
158,078	161,600	165,202	168,883	172,647	176,494	180,427	184,448	188,559	192,761
22,488	-	-	256,986	19,433,238	93,185,572	22,614,148	2,762,636	585,294	10,880,549
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
180,565	**161,600**	**165,202**	**425,869**	**19,605,884**	**93,362,066**	**22,794,575**	**2,947,084**	**773,853**	**11,073,310**
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	1,019,245	-	336,294	1,927,202	162,450
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	**-**	**-**	**-**	**-**	**1,019,245**	**-**	**336,294**	**1,927,202**	**162,450**
180,565	161,600	165,202	425,869	19,605,884	94,381,310	22,794,575	3,283,377	2,701,055	11,235,760
22,544,454	22,454,901	24,776,363	21,172,840	20,844,572	19,946,230	29,064,149	37,609,293	40,734,734	43,973,468
(7,275,796)	(7,646,616)	(7,970,381)	(40,117,458)	(11,827,407)	(3,780,761)	(10,359,487)	(15,613,908)	(16,794,058)	(17,052,583)
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
(31,668,373)	(32,794,986)	(32,280,088)	(33,088,036)	(39,094,710)	(43,520,245)	(55,288,325)	(60,917,156)	(63,907,162)	(67,296,705)
(16,399,715)	**(17,986,700)**	**(15,474,106)**	**(52,032,654)**	**(30,077,545)**	**(27,354,776)**	**(36,583,663)**	**(38,921,771)**	**(39,966,486)**	**(40,375,820)**
16,580,280	**18,148,300**	**15,639,308**	**52,458,524**	**49,683,429**	**121,736,086**	**59,378,238**	**42,205,149**	**42,667,541**	**51,611,581**
296,864,564	313,444,844	331,593,145	347,232,453	399,690,977	449,374,406	571,110,492	630,488,730	672,693,879	715,361,420
11%	10%	10%	10%	10%	10%	10%	10%	10%	9%

Year										
2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
-	-	-	-	-	-	-	-	-	-	-
197,056	201,448	205,937	210,526	215,218	220,014	224,917	1,307,695	1,503,820	(1,462,555)	(2,038,074)
34,034,277	8,181,932	2,448,501	2,705,265	597,850	2,949,476	4,599,329	3,907,114	615,246	1,429,697	26,991,502
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	(326)	-
-	-	-	-	-	-	-	-	-	-	-
34,231,333	**8,383,379**	**2,654,438**	**2,915,791**	**813,068**	**3,169,490**	**4,824,246**	**5,214,808**	**2,119,066**	**(33,183)**	**24,953,427**
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
284,603	428,366	1,829,365	557,518	623,133	770,873	1,389,217	553,756	1,233,010	3,352,846	743,719
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
284,603	**428,366**	**1,829,365**	**557,518**	**623,133**	**770,873**	**1,389,217**	**553,756**	**1,233,010**	**3,352,846**	**743,719**
34,515,936	8,811,746	4,483,803	3,473,308	1,436,200	3,940,363	6,213,463	5,768,564	3,352,076	3,319,662	25,697,147
41,755,440	45,954,642	43,993,718	46,003,957	46,517,672	47,594,638	51,590,134	49,887,816	50,525,874	52,784,018	48,682,814
(15,727,683)	(16,208,910)	(15,943,751)	(15,645,331)	(24,401,331)	(21,730,256)	(21,608,741)	(18,212,278)	(16,981,984)	(19,763,578)	(21,398,269)
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
(69,080,248)	(73,047,865)	(75,381,378)	(73,854,034)	(75,893,777)	(75,615,255)	(75,068,670)	(76,680,450)	(84,266,468)	(90,240,406)	(101,693,392)
(43,052,491)	**(43,302,134)**	**(47,331,411)**	**(43,495,408)**	**(53,777,436)**	**(49,750,873)**	**(45,087,276)**	**(45,004,912)**	**(50,722,578)**	**(57,219,966)**	**(74,408,847)**
77,568,427	**52,113,879**	**51,815,214**	**46,968,716**	**55,213,636**	**53,691,236**	**51,300,739**	**50,773,476**	**54,074,654**	**60,539,628**	**100,105,993**
766,973,000	844,541,427	896,655,306	948,470,520	995,439,236	1,050,652,872	1,104,344,108	1,155,644,848	1,206,418,323	1,260,492,977	1,321,032,606
9%	9%	8%	8%	8%	7%	7%	7%	7%	7%	8%

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Part 10 Financial Reporting
Jemena Queensland Gas Pipeline (1) Pty Ltd
Jemena Queensland Gas Pipeline (2) Pty Ltd
Year ending 31/12/2024

Pipeline capital expenditure

Please report all historical expansions/extensions in table 4.1.2, regardless of value.
Please ensure all extensions/expansions in the next 12 months that have advanced to the "Final Investment Decision" stage are comprehensively reported in table 4.1.3.

Table 4.1.1: Capital expenditure greater than 5% of construction cost

Basis of Preparation ID	Description of works	Date recognised	Expenditure ($ nominal)
4.1.1CEGTOCC_D15:E41	Fairview Lateral extension	Various dates during calendar year 1998	8,744,253
4.1.1CEGTOCC_D15:E41	Arcadia Valley MLV-4 to Rolleston Meter	Various dates during calendar year 2000	14,256,291
4.1.1CEGTOCC_D15:E41	QGP expansion - Rolleston and Banana Compressor Stations and pipeline looping	Various dates during calendar year 2008/2009/2010	120,137,196
4.1.1CEGTOCC_D15:E41	Other (MOE/SOE sys upgrade, Odourant upgrade, Boroscope etc.)	Various dates during calendar year 2013	6,672,526
4.1.1CEGTOCC_D15:E41	New pipeline lateral expansion for customer	Various dates during calendar year 2013/2014/2015	31,914,988
4.1.1CEGTOCC_D15:E41	QGP Integrity review program	Various dates during calendar year 2024	20,648,316
Total expenditure			202,373,570

Table 4.1.2: Historical expansions and extensions

Basis of Preparation ID	Description of works	Date recognised	Expenditure ($ nominal)
4.1.2HEAE_C47:E73	Fairview Lateral extension	Various dates during calendar year 1998	8,744,253
4.1.2HEAE_C47:E73	QGP expansion - Rolleston and Banana Compressor Stations and pipeline looping	Various dates during calendar year 2008/2009/2010	120,137,196
4.1.2HEAE_C47:E73	New pipeline lateral expansion for customer	Various dates during calendar year 2013/2014/2015	31,914,988
Total expenditure			160,796,437

Table 4.1.3: Planned expansions and extensions of capacity

Basis of Preparation ID	Description of the matter	Proposed commissioning date, or a range of dates	Expected end date, or a range of dates	Facility's proposed nameplate rating, or the estimated likely range during affected period	Proposed expenditure (if available, required for publicly announced expansions)
				GJ/day	$ nominal
Total proposed expenditure					-

The Australian Energy Regulator (AER) issued Pipeline Information Disclosure Guidelines (the Guideline) in October 2023 under Part 10 of the National Gas Rules. This Guideline requires service providers to publish certain financial information in relation to pipelines.

This Basis of Preparation relates to the information reported for the Queensland Gas Pipeline (QGP) for the reporting period 1 January to 31 December 2024 (reporting period). Jemena Queensland Gas Pipeline (1) Pty Ltd and Jemena Queensland Gas Pipeline (2) Pty Ltd (collectively, service providers) are the service providers of the pipeline. For the purposes of section 1.7 of the Guideline, the members of the service provider group have appointed Jemena Queensland Gas Pipeline (1) Pty Ltd as the responsible service provider for the purposes of publishing the information.

The Queensland Gas Pipeline is a non-scheme pipeline under the National Gas Law.

To apply the Guideline we have adopted the following general interpretations:

•Acquisition costs and associated dates (mainly in the Recovered Capital Method (RCM) template) are determined by reference to the ownership of the pipeline by the Jemena Group. This means for instance that acquisition of the QGP occurred on 1 Aug 2007 when the Jemena Group acquired the pipeline.

•Actual information includes information calculated directly from information contained in Jemena Group's systems and other records whose presentation is not dependent on material judgement. Estimated information is anything other than actual information.

•To meet the requirements of the Guideline when compiling the RCM valuation (section 4.1) the service providers undertook all reasonable steps to obtain historical information where this was not already available to the Jemena Group. These steps are further explained in the RCM secton of this basis of preparation.

The rest of this basis of preparation document explains how we have populated each of the templates required by the Guideline, including by identifying where estimated data was used when actual data was not available.

1. Pipeline information

Service providers are required to report the details of the pipeline, pipeline services provided and whether these services are provided to related parties and non-related parties.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
1.1	Pipeline details	N/A - No BoP Reference cells in the AER template	Pipeline Location and Length Number of Customers Service Type Pipeline Nameplate Capacity Construction	Actual	NA	Pipeline Location and Length GIS Number of Customers PypIT Service Type AEMC's gas pipeline register Pipeline Nameplate Capacity Refer to basis of preparation for Table 5.3. Construction Date 30th June 1989	NA	**Pipeline Location and Length** The pipeline lengths are calculated in the Geographic Information System (GIS) by summing the geometric lengths of the pipeline and all its laterals. Pipeline Map Link: https://www.jemena.com.au/siteassets/asset-folder/documents/pipeline/qgp/qgp-map-dated.pdf **Number of Customers** Number of contracted customers are calculated by running a PypIT invoice summary report and pivoting this for the number of customers in the period.. PypIT is the billing/invoicing system used by the pipeline. PypIT records customer contract information and provides customer volumes and revenue data by service type. **Service Type** As per AEMC's gas pipeline register of pipeline classification under the National Gas Law: https://www.aemc.gov.au/energy-system/gas/gas-pipeline-register **Pipeline Nameplate Capacity** Refer to basis of preparation for Table 5.3. **Construction Date** Construction date is interpreted as the mid-point of the year when construction commenced.	None Noted
1.2	Pipeline services provided	N/A - No BoP Reference cells in the template	Pipeline services provided	Actual	NA	PypIT	NA	Based on current service offerings as described below. **Service description** A Commercial Operations SME reviewed all services provided and made available to customers during the reporting period based on which the template was populated. **Provided to non-related parties** All services were provided to non-related parties based on a review of the PypIT customer listing and relevant supporting contracts. **Provided to related parties** No services were provided to related parties.	Other pipeline services provided This includes Day Ahead Auction revenue.

2. Revenue and expenses

An overview of the revenue generated from pipeline operations and the costs associated with the pipeline, published by pipeline services.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
2.1	Statement of pipeline revenue and expenses by service	NA	NA	NA	NA	NA	NA	NA	NA

2.1 Profit & Loss statement by components

An overview of the revenue generated from pipeline operations and the costs associated with the pipeline, published by P&L components.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
2.1.1	Statement of pipeline revenue and expenses by component	2.1.1SOPRAEBC_D13:I22	Description: Direct revenue by pipeline	Actual	N/A	PypIT and SAP	None noted	**Amount excluding related party transactions:** **Total service revenue** Refer to Table ID 2.2.1, which includes an explanation of how revenue is allocated to 'Description' categories. **Customer Contributions revenue** None **Government Contributions revenue** None **Profit from sale of fixed assets & Other direct revenue** Items reported in this description category based on review of the SAP general ledger extract. **Other indirect revenue** None **Reporting period – Amounts excluding related party transactions** No related party revenue transactions were noted in the review of the SAP ledger transactions and the supporting customer artefacts, therefore all revenue has been reported within the 'Amount excluding related party transactions' column.	None noted
2.1.1	Statement of pipeline revenues and expenses by component	2.1.1SOPRAEBC_D24:I45	Description: Direct expenses by pipeline Shared expenses by pipeline	Actual	N/A	SAP	None noted	The pipeline uses an Enterprise Resource Planning (ERP) system (SAP) to record its financial transactions. Costs are collected in planned maintenance orders (PMO) that cascade up to projects (WBS elements) in SAP based on the activity, on which an employee works or where an external supplier provides goods/services. Reporting tools (BI and Analysis for Office) are used to download the operating expenditure costs from SAP. The data is aggregated by WBS element and general ledger account code (cost element) and mapped into the relevant cost category of the template. **Related party and non-related party** The majority of costs that the service provider incurs are sourced from a related entity, Jemena Asset Management Pty Ltd (JAM). JAM records costs that are attributable to the service provider and uses SAP functionality to transfer such costs at zero margin to the service provider. These costs are reported in the 'related party transactions' column. **Direct costs and Shared costs** Direct and shared cost classification is based upon the activity/service category codes included as part of the WBS element structure for each project. An activity/service mapping table is used to map activities into relevant cost categories: -Direct Costs: For example, Commercial Management (customers and markets, strategy and market development, project development), Business Operations (integrated business performance, operations excellence, control room monitoring, commercial support), Asset management (asset investment, plant performance, planning & assessment, information & maintenance support), Service Delivery (construction, maintenance and faults, metering, emergency response). Directly attributable costs are allocated to pipeline through a PM Order which is the lowest level cost collector. PM Order's settle or cascade up to a specific project (WBS) in SAP. -Shared Costs: Enterprise Support Functions (For example, executive management, finance, legal, human resources, information technology (IT) etc.). Note: Shared costs flow into Table 2.1.1 from Table 2.5.1 Shared cost allocation.	None noted
								Mapping Opex into the template 'Description' categories: The cost element description field from costs within the pipeline was used to map into the template's categories (e.g. 'wages', 'other direct costs', 'employee costs', 'indirect operating expenses', etc.). The pipeline has interpreted direct wages as the payroll costs of staff who are not enterprise support functions. The pipeline's shared employee costs are the allocated payroll costs of enterprise support function staff such as finance, legal, people, safety and environment. Where project descriptions and activity/service category codes support classification within a more specific category then the cost element-based mapping was overridden . The following description categories were populated based on project description/activity code mapping: -Information technology and communication costs -Rental and leasing costs -Repairs and maintenance -Leasing and rental costs Note: Insurance costs are included in the enterprise support costs as these are shared across the Jemena Group, therefore a $nil value has been reported for Direct Insurance costs. **Earnings before Interest and tax (EBIT)** Non-input cell.	None noted
2.1.1	Statement of pipeline revenues and expenses by component	2.1.1SOPRAEBC_D24:I45	Description: Depreciation (Direct expenses by pipeline) Shared asset depreciation (Shared expenses allocated to pipeline)	Actual	N/A	SAP – Fixed Asset Movement Report (FAMR) and Equipment Register The SGSP (Australia) Assets Pty Ltd (SGSPAA) Group Consolidation support schedule (Business Combination Adjustments and Goodwill)	None noted	**SAP FAMR** Depreciation expense was extracted from the annual SAP FAMR. **SGSPAA Group Consolidation supporting schedule** Depreciation expense was extracted from the SGSPAA Group Consolidation supporting schedule for pipeline assets not included in the SAP FAMR. Total depreciation was classified between direct depreciation and shared asset depreciation based on the mapping of the individual assets in the FAMR applied in Table 3.5.1 Depreciation. **Reporting period – Amounts excluding related party transactions** All depreciation expenses are recorded directly within the Pipeline and are not transferred from a related party entity and therefore are reported in the 'Amounts excluding related party transactions' column.	None noted

2.2 Allocation to pipeline services
A breakdown of revenue and expanses by each pipeline services.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
2.2.1	Revenue by service	2.2.1RBS_D13:K23	Direct Revenue (excl. capital contributions)	Actual	N/A	PypIT and SAP	N/A	**Allocation to pipeline service & -Amount excluding related party transactions** **Allocator and Allocator justification:** Each PypIT Revenue Service ID is directly attributable to a specific category of Direct Revenue based on the contract details contained in PypIT and an assessment of the nature of the service provided. Each direct revenue line item's Allocation of Pipeline Service (%) is calculated as the revenue amount ($) per line item divided by the Total direct revenue amount ($). **Allocator justification:** Numeric quantities of allocators are displayed in the reporting template. **Non-PypIT Revenue (SAP)** SAP revenue items that are not sourced from PypIT do not relate to any of the standard categories shown in the template and are reported in the 'Other' Direct revenue category based on analysis of supporting SAP journal records. Other Direct revenue is prodominently made up of imbalance charges for QGP. **Reporting period – Amounts excluding related party transactions** Based on a review of PypIT customer records and SAP supporting records, the pipeline did not have any direct revenue sourced from related parties, therefore all revenue has been reported within the 'Amount excluding related party transactions' column.	None noted
2.2.1	Revenue by service	2.2.1RBS_D25:K35	Capital Contributions	Actual		SAP		**Allocation to pipeline service & Amount excluding related party transactions** **Allocator:** Capital contributions were sourced from the pipeline's SAP general ledger and allocated to the 'Description' revenue categories based on the Direct Revenue allocator. **Allocator justification:** The Direct revenue allocator was the most appropriate for Capital Contributions where capital contributions are not attributable to a specific revenue category i.e. Customers who make capital contributions may use multiple services. In terms of allocation to services where the intention of the connection was unclear at the time of the capital works agreement subsequent revenue for that connection point was used as a basis to allocate to the different service types. Numeric quantities of allocators are displayed in the reporting template. **Reporting period -Related party transactions** Based on a review of SAP supporting records, the pipeline did not have any Capital Contributions sourced from related parties.	None noted
2.2.1	Revenue by service	2.2.1RBS_D37:K49	Indirect revenue allocated	Actual	N/A	SAP	N/A	No indirect revenue was reported as no indirect revenue was allocated to the pipeline during the reporting period as such amounts would have been recorded in the pipeline's SAP general ledger.	None noted
2.2.2	Expenses by service	2.2.2EBS_D56:K66 2.2.2EBS_D80:K91	Total direct expenses (excl. depreciation) Total shared expenses (excl. depreciation)	Actual (except for allocation to pipeline services)	Direct expenses and Shared expenses are not directly attributed in SAP into a specific Direct revenue category	Direct revenue line items	Expenses have been allocated using revenue as an allocator.	**Allocation to pipeline service & Amount excluding related party transactions** **Allocator:** Expenses were allocated to the 'Description' categories based on the Direct Revenue allocator. Allocation of Pipeline Service (%) calculated as Total direct expenses / Total shared expenses (excl. depreciation) ($) multiplied by Direct revenue line item amount ($) divided by the Total direct revenue amount ($) ratio. **Allocator justification:** The allocator is the most appropriate because there is a relationship between the economic benefits realised (direct revenue) and the economic benefits consumed (Direct expenses & Shared Expenses) as a result of operating the pipeline, and the service operator is not aware of a more appropriate allocation approach. Numeric quantities of allocators are displayed in the reporting template.	None noted
2.2.2	Expenses by service	2.2.2EBS_D68:K78	Depreciation	Actual (except for allocation to pipeline services)	Assets and the resulting depreciation expense are not attributed in SAP into a specific Direct revenue category	2.2.1 Direct revenue line items	N/A	**Allocation to pipeline service & Amount excluding related party transactions** **Allocator:** Depreciation was allocated to the 'Description' categories based on the Direct Revenue allocator. Allocation of Pipeline Service (%) calculated as Total depreciation ($) multiplied by Direct revenue line item amount ($) divided by the Total direct revenue amount ($) ratio. **Allocator justification:** The allocator is the most appropriate because there is a relationship between the economic benefits realised (direct revenue) and the economic benefits consumed (depreciation) through utilisation of the Service Provider's assets, and the service operator is not aware of a more appropriate allocation approach. Numeric quantities of allocators are displayed in the reporting template.	None noted

2.3 Revenue contributions A list of capital contributions received (including both customer and government contributions).									
Table ID	**Table Name**	**BoP ID**	**Item Name**	**Estimated/Actual**	**Why Estimated**	**Source**	**Assumptions**	**Methodology**	**Additional Comments**
2.3.1	Customer contributions received	N/A – No Basis of Preparation ID cell noted in table	Description	Actual	N/A	SAP	N/A	The SAP general ledger was reviewed to assess whether any Customer contributions were recognised as revenue. The supporting journal documentation was reviewed to assess whether or not the contribution was received from a related party.	None noted
2.3.2	Government contributions received	N/A – No Basis of Preparation ID cell noted in table	Description	Actual	N/A	SAP	N/A	The SAP general ledger was reviewed to assess whether any Government contributions received. No such transactions were identified.	None noted

2.4 Indirect revenue

A list of the indirect revenue allocated to the pipeline

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
2.4.1	Indirect Revenue allocation	2.4.1.IRA	Description	Actual	N/A	SAP	N/A	The SAP general ledger was reviewed to assess whether any Indirect revenue was received. Indirect revenue was reported as nil on the basis that there was no indirect revenue which was required to be allocated to the pipeline.	None noted

2.5 Shared expenses

Service providers are required to allocate a fair proportion of shared costs such as corporate overheads to each pipeline.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
2.5.1	Shared Cost Allocation	2.5.1SEA_D15:J36	Description categories, Income statement account applied to, Shared costs excluding related parties, Shared costs paid to related parties, (Gross shared costs), % allocated to pipeline, Total allocated to pipeline excluding related parties, Total related party amounts allocated to pipeline (Net shared costs).	Actual	N/A	SAP	N/A	Shared Costs relate to enterprise support functions such as executive management, finance, legal, information technology (IT), human resources etc. Shared costs reported are those of the broader SGSPAA Group excluding Zinfra. **Description categories** The cost element description field was used to map costs into the template's 'Description' categories (e.g. 'Employee costs', 'Indirect operating expenses', etc.). Project descriptions were also used as a basis to categorise costs into description categories (e.g. 'Information technology and communication costs'). For costs other than labour, project descriptions and activity/service category codes were used for further specific categorisation.The following description categories were populated based on project description/activity code mapping: -Information technology and communication costs. -Rental and leasing costs. Income statement account applied to Each 'Description' category row in the template is the aggregation of multiple cost element description categories and Project descriptions therefore the column 'Income statement account applied to' has been populated as 'Various'.	None noted
								Related party and non-related party: **Shared costs excluding related parties** Shared asset depreciation is the only value included in this column as depreciation is based on shared assets purchased by the Jemena Group and allocated to the pipeline. **Shared costs paid to related parties:** The gross shared costs paid to related parties for enterprise support functions (e.g. Finance, Legal, Managing Director) are the total shared costs incurred across the Jemena Group before allocating to specific assets (e.g. pipelines). Gross shared costs are collected in SAP at the JAM entity. It is from this entity that the allocation of shared costs occurs. These allocated costs are transferred to the pipeline using SAP functionality and mapped into the template categories based on a methodology consistent with the approach outlined above for net shared costs, therefore based on: -cost element mapping and -project descriptions and activity/service category codes **Percent (%) allocated to pipeline and total allocated to pipeline excluding related parties,** As described above, the majority of shared costs that the pipeline incurs are sourced from a related entity JAM which records costs that relate to the pipeline and uses SAP functionality that transfers such costs at zero margin to the pipeline. These costs are reported in the 'Shared costs paid to related parties' column.	None noted
								Allocator: Shared costs are allocated in the following ways: Non directly attributable costs are allocated using two steps: Step 1: Jemena Group level enterprise support function costs are allocated to the Pipelines group based on the specific causal drivers attributed to each separate type of Shared Cost, with a range of allocation drivers used as appropriate for each type of cost including surveys of headcount effort, surveys of digital application usage, emissions volumes, revenue and EBIT. Step 2: Shared costs are then allocated to each pipeline based on a management survey of the support effort consumed by each pipeline. **Allocator justification:** The allocators used to allocate shared enterprise support function costs are the most appropriate because the allocator is the best estimate of the benefits consumed by the respective Jemena Group assets. The costs allocated to each shared expense 'Description' category (e.g. 'Employee costs', 'information technology and communication costs' etc.) is an aggregate of many projects with varying cost allocation percentages from the different shared functions. The percentage allocated to a pipeline is calculated as: Amounts allocated to pipeline divided by the gross amount across the Jemena Group. The shared costs allocated to the pipeline is sourced from SAP using a combination of projects and cost elements. Numeric quantities of allocators are displayed in the reporting template.	None noted

3. Asset value - Depreciated Book Value Method (DBVM) (For Non-scheme pipeline only) An overview of the assets utilised in the pipeline operations based on DBVM.									
Table ID	**Table Name**	**BoP ID**	**Item Name**	**Estimated/Actual**	**Why Estimated**	**Source**	**Assumptions**	**Methodology**	**Additional Comments**
3.1.1	Pipeline assets (DBVM)	3.1.1PADBVM_D18:E80 3.1.1PADBVM_D106:E119	Pipeline assets, Shared supporting assets	Per source material	N/A	FAR	Refer to assumptions in table 3.5.1: Pipeline assets at cost and table 3.5.2: Shared assets at cost.	Per source material for non-input cells referencing 'Table 3.5.1: Pipeline assets at cost' and 'Table 3.5.2: Shared assets at cost'. No revaluation of pipeline assets The service provider confirms that the pipeline's assets are measured at historical cost in accordance with AASB 116 Property, Plant and Equipment, none of the pipeline's assets have been revalued since the acquisition date. The pipeline does not depreciate land but does depreciate easements that have a fixed term life. To align with the presentation of information required in Table 3.1.1, the opening cost base in the comparative column has been revised to reflect the opening accumulated depreciation. Current year depreciation has been included in the additions for the current reporting period. **For shared assets** Allocator: Shared assets are allocated to pipelines in the following way: Non directly attributable costs are allocated to pipelines based on the approved capex business case which outlines the case by case assessment of the specific SPSPAA Group business units that will benefit from the new asset. At the time of commissioning the new asset it is reassessed to confirm that the allocation to split the assets aligns with the expected benefits from the asset. **Allocation Justification:** The Business Case and commissioning benefit review is the most appropriate allocator because it best aligns with how the future economic benefits from the assets are expected to be realised. Numeric quantities of allocators are displayed in the reporting template.	None noted
3.1.1	Pipeline assets (DBVM)	3.1.1PADBVM_D97:E102	Other non-depreciable pipeline assets	Actual	N/A	SGSPAA Group Consolidation support schedule (Fair Value Adjustments and Goodwill) SAP	N/A	**Other non-depreciable pipeline assets - SGSPAA Group Consolidation support schedule** The amounts reported include goodwill which arose from the acquisition of the pipeline. As there is no specific Goodwill category, the pipeline has included $10,939,239 of goodwill in the 'Other non-depreciable pipeline assets' in the template. This category also includes other non-depreciable pipeline assets including receivables of $600,032,993, of which the intercompany receivables amount to $597,265,499 **Other non-depreciable pipeline assets – SAP TB** Amounts have been extracted from the pipeline's Trial Balances for the reporting period and include GL accounts such as accrued receivables, inventories, deferred tax assets and amounts due from related parties. SAP has functionality that records and identifies any transactions from related parties to the pipeline, known as trading partner. Related party loan accounts with each trading partner entity were aggregated, where the receivable amount was greater than the payable amount the net amount was reported in 'Other non-depreciable pipeline assets'. Where the payable amount was greater than the receivable amount, the balance was a net liability and therefore not included in 'Other non-depreciable pipeline assets' in the template. The pipeline has a legally-enforceable right to set off the recognised amounts and the pipeline intends either to settle on a net basis or realise the asset and settle the liability simultaneously. In accordance with accounting standards the pipeline has netted off deferred tax assets and liabilities in its Balance Sheet.	None noted
3.1.1		3.1.1PADBVM_D121:E123	Inventories, Deferred tax assets, Other assets	Actual	N/A	SAP	N/A	The pipeline's Inventories, deferred tax assets and other assets are not shared assets, they form part of Pipeline Assets and are reported on the row 'Other non-depreciable pipeline assets.	None noted
3.1.2		3.1.2ICOPADBVM_D132	Initial costs of pipeline assets (DBVM)	Actual	N/A	Published Accounts of SGSP (Australia) Assets Pty Ltd	N/A	The acquisition costs incurred were sourced from Group's published accounts. Where necessary, Group costs were allocated to individual pipelines based on a valuation report from the acquisition.	None noted

3.2 Asset value - Regulatory Asset Base (RAB) (For Scheme pipeline only)
An overview of the assets utilised in the pipeline operations based on RAB.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
3.2.1	Pipeline Assets (RAB)	3.2.1RAB	NA	NA	NA	NA	NA	NA	This table is only required for scheme pipelines. The pipeline is not a scheme pipeline.

3.3 Asset useful life

The asset useful life schedule, which provides the basis for calculating depreciation for different classes of assets and the reason for choosing this basis.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
3.3.1	Asset useful life	3.3.1AUL_D11:F39	Description (list each individual balance sheet item), Commission date (provide a range), Useful life years, Reason for choosing this useful life	Actual	NA	SAP	NA	**Description (list each individual balance sheet item)** The 'Description' column was referenced from the 'Description' column as listed in: -Table 3.3.1: Pipeline assets at cost -Table 3.3.2: Shared assets at cost Assets under construction (AUC) are assets that are still in the process of being constructed and not yet installed ready for use, therefore they are excluded from Table 3.1.1 The pipeline does not depreciate land but does depreciate easements that have a fixed term life. **Commission date (provide a range)** The assets in the FAMR sourced from SAP, have been aggregated into similar 'Description' items in Table 3.1.1. For each asset 'Description' category the date pipeline was commissioned and most recent asset commissioning dates were extracted for disclosure. **Useful life years** The useful life for each category was calculated based on the weighted average cost useful life formula below with the information sourced from FAMR. Weighted average cost useful life equals: (Opening Cost + Acquisitions+Retirements)/Total Description Cost Note that the Total Description Costs is the sum of Opening cost + Additions– Retirements. $*Asset\ useful\ life$ Asset class with an indefinite useful life has been excluded from the above calculation.	None noted
				Actual	NA		NA	**Reason for choosing this useful life** The pipeline defines the useful (economic) life of individual assets in accordance with Australian Accounting Standards and the period over which the pipeline expects to derive economic value from the asset. The estimation of the economic useful life of an asset is a matter of judgement based on the Jemena Group's experience with similar assets and consideration of the specific circumstances relevant to that asset. Additionally, economic useful life of an asset is considered in relation to the life assigned to similar assets within the asset category. Because an asset category contains a significant number of assets that have different useful lives, the useful lives reported in Table 3.3.1 reflect the weighted average of the standard asset lives of the assets included in the relevant asset category.	None noted

3.4 Asset impairment

A schedule of impairments made to pipeline assets and impairment reversals.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
3.4.1	Asset Impaired	3.4.1AI	Asset description, Impairment amount $ nominal, Impairment date, Basis for impairment	Actual	NA	SAP	NA	Reviewed the SAP general ledger to identify whether any impairment transactions have been recorded. No Impairment recorded for the current year.	None noted
3.4.2	Asset Impairment Reversals	3.4.1AIR	Asset description, Prior Impairment amount $ nominal, Impairment date, Basis for impairment, Reversal amount $nominal, Reversal date, Basis for Reversal	Actual	NA	SAP	NA	Reviewed the SAP general ledger to identify whether any reversal of impairment transactions have been recorded.	None noted

3.5 Depreciation amortisation

A depreciation schedule to show the depreciation calculation for pipeline assets,

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
3.5.1 3.5.2	Pipeline assets at cost - pipeline assets & Shared assets at cost (less straight-line depreciation)	3.5.1PAAC_C15:Q59 3.5.2SAAC_D66:P84	Description, Category, Acquisition date (provide a range), Useful life, Estimated residual value, Opening Cost Base , Current year additions, Current year capitalised Maintenance or improvements, Current year disposals or Early termination, Adjusted Cost Base, Prior years' accumulated depreciation Current year depreciation, Written Down Value	NA	NA	SAP FAMR and equipment listing report The SGSPAA Group Consolidation support schedule (Business Combination Adjustments and Goodwill)	NA	Downloaded the annual SAP FAMR which lists individual assets. Directly attributable costs are allocated to pipeline through a PM Order which is the lowest level cost collector. PM Order's settle or cascade up to a specific Capex project (WBS) in SAP. Capex WBS settle to the specifically identifiable assets in the SAP FAR. **Category** Each asset was mapped into the relevant categories provided in the AER template drop down list (e.g. Pipeline, Compressor, City Gates etc.) based on: analysis of the FAMR Asset description & Asset class;input from engineers and subject matter experts; and where relevant, analysis of a separate corresponding equipment listing report which contains more detailed information than the FAMR. **Description** The asset description was mapped to the categories in the template except for the following items which were not included in the AER's drop down list of categories: AUC Network, AUC-Intangibles, AUC Non-Network. AUC are assets that are still in the process of being constructed and not yet installed ready for use. Therefore depreciation expense was not yet applied. **Acquisition date (provide a range)** Refer to 'Commission date' explanation for Table 3.3.1 Asset useful life. **Useful life** Refer to 'Useful life' explanation for Table 3.3.1 Asset useful life.	None noted
								Estimated residual value The service provider has estimated there to be no residual value for all pipeline assets which is in accordance with its internal Property, Plant and Equipment policy and aligns with AASB 116 Property, Plant and Equipment which recognises that in practice, the residual value of an asset is often insignificant and therefore immaterial in the calculation of the depreciable amount (AASB 116(53)). Opening Cost Base, Current Year Additions and Current Years Disposals or Early Terminations, Prior years' accumulated depreciation Current year depreciation, Written Down Value The annual SAP FAMR report was generated with asset 'Category' detail overlayed (per 'Category' explanation above') which included separate columns for: -Opening Cost Base -Current Year Additions -Current Years Disposals or Early Terminations -Prior years' accumulated depreciation -Current year depreciation -Written Down Value The pipeline does not depreciate land but does depreciate easements that have a fixed term life. To align with the presentation of information required in Table 3.1.1, the opening cost base in the comparative column has been revised to reflect the opening accumulated depreciation. Current year depreciation has been included in the additions for the current reporting period. **Capitalised Maintenance** The pipeline does not have any capitalised maintenance. Maintenance costs such as day to day servicing including labour, consumables and spare parts are excluded from measurement of an item of PPE in accordance with the SGSPAA Group's PPE policy and AASB 116 (12). **Other depreciable pipeline assets - SGSPAA Group Consolidation support schedule** Contract intangibles and Capitalised interest sourced from the SGSPAA Group Consolidation support schedule have been reported within the 'Other depreciable pipeline assets' category.	None noted

3.6 Shared supporting assets
Provides the basis for allocating shared assets to the pipeline.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
3.6.1	Shared Supporting Asset Allocation	3.6.1SSAA__C15:G47	Description (list each individual shared asset category greater than 5%), Category of shared assets, Total amount, % allocated to pipeline, Total allocated to pipeline	Actual	NA	SAP – FAMR & project cost download for Shared Assets Capex at the pipeline's level.	None noted	**Description (list each individual shared asset category greater than 5%)** 'Shared asset' category description' in the FAMR were reported in Table 3. 5.2. Interpreted that shared asset category additions during the reporting period were to be disclosed when greater than 5% of Total Shared costs were allocated to the service provider's pipeline. Shared property, plant and equipment – Additions in Table 3.1.1 align to Table 3.6.1 additions. **Category of shared assets** The 'Category of shared assets' was reported as 'Other Shared' based on the nature of the asset additions and referenced to the drop down list of categories in Table 3.5.2. **Total amount** Costs are collected in projects (WBS elements) in SAP based on the activity, on which an employee works or an external supplier provides goods/services. For shared assets the capex costs are collected in a WBS element before allocating the shared asset costs to the relevant pipelines/distribution network assets. The pipeline aggregates the shared asset additions into the relevant asset classes as per the template. **% allocated to pipeline** The percentage allocated to the pipeline was calculated as: 'Total allocated to the pipeline' divided by the 'Total Amount' Where: -'Total allocated to the pipeline' is defined below; and -'Total Amount' is defined above. **Total allocated to pipeline** Shared Asset additions during the reporting period were aggregated by the 'Asset class description' field in the FAMR. Refer to Table ID 3.1.1 for the explanation of how shared assets were allocated to the pipeline.	None noted

4. Asset value - Recovered Capital Method (RCM)
The asset valuation statement arising from the application of the Recovered Capital Method.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
4.1	Pipeline assets (RCM)	4.1PARCM_F14:BH14	Pipeline assets: Construction cost (1989-1991)	Actual	N/A	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F15:BH15	Pipeline assets: Residual value (1989-2023)	Estimate	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F15:BH15	Pipeline assets: Residual value (2024)	Estimate	Cost have not yet been incurred to decommission the pipeline, therefore an estimate is inherently required to measure future costs. Further the actual timing of decommissioning the pipeline is also uncertain therefore increasing the level of estimation required. Further, the CPI escalation factor and the discount rate inputs are estimates used to inflate for forecast future price increases and then discount to the present value respectively.	Expert Engineering Report Inflation rate: SGSPAA internal 2024 budgeted CPI Discount rate: 5 year average rate for 15 year Australian Government Securities (AGS) bonds	Negative residual value is interpreted as the present value of the forecast decommissioning cost that QGP will pay when the pipeline is removed from service in the future. The expert engineering report is a reasonable basis for estimating the cost to decommission the pipeline. The 5 year average of the 15 year AGS bonds are appropriate to estimate rate of return for present value calculation purposes.	Negative residual value is calculated as: $PV(Decommissioning)_t = C_{T_E} \times \frac{(1+i)^{T_D-T_E}}{(1+r)^{T_D-t}}$ Where: -C_(T_E) is the estimated cost of decommissioning in dollars as at time T_E -T_D is the expected year of decommissioning -i is the estimated inflation rate -r is the estimated discount rate -t is the year of the estimate An expert Engineering report is the basis for estimating the decommissioning cost (C_(T_E)). Phasing of Negative Residual value The year 1 value of the decommissioning cost was reported in year 1. From 2021 onwards, each year's increment negative residual value is calculated as the movement in total negative residual value between that year and the prior year	The estimate is a best estimate because it has been calculated based on the following inputs which are sourced based on best available information: Independent technical engineering estimate of the cost to decommission the pipeline. Discount rate: 5 year average for the 15 year Australian Government Securities (AGS) bond rate. CPI escalation: SGSPAA internal CPI estimate (reasonable when compared with Australian Bureau of Statistics (ABS) rate). The pipeline's decommissioning provision reflects a bottom-up cost estimate of various remediation activities. Consistent with AS2885, the service provider used a risk-based approach to determine a mix of appropriate remediation activities for different equipment/facility types and locations, taking into account factors including expected future land use. Remediation activities include the removal of all above-ground facilities, various remediation treatments for underground pipeline (for example, grouting in higher risk locations such as road/rail/river crossings, and leaving the pipeline in place with controls in lower risk locations) and ground cover remediation/revegetation of easements as appropriate for the surrounding land.
4.1	Pipeline assets (RCM)	4.1PARCM_F16:BH16	Pipeline assets: Additions (1989-2023)	Actual	N/A	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	N/A
4.1	Pipeline assets (RCM)	4.1PARCM_F16:BH16	Pipeline assets: Additions (2024)	Actual	N/A	SAP Trial Balances and FAMR Jemena Queensland Gas Pipeline (1) Pty Ltd and Jemena Queensland Gas Pipeline (2) Pty Ltd	Additions per the FAMR were cash related. All additions are incurred mid-year.	QGP uses SAP to capture costs associated with capital expenditure. A FAMR was downloaded from SAP for each year to identify additions during that year. A check was performed to reconcile FAMR movements with the net change in fixed asset general ledger accounts. **<u>Mid-point Net Capital Expenditure Gross Up</u>** Capex additions and disposals for each year are escalated to a mid-year point to account for the return on capital for capital expenditure incurred during the year. $Mid\ Point\ Gross\ Capex = Capex \times (1 + RoR\ percentage)^{0.5}$ The Rate of Return (RoR) percentage input calculation methodology is further below in this table	N/A

4.1	Pipeline assets (RCM)	4.1PARCM_F17:BH17	Pipeline assets: Maintenance capitalised (1989-2023)	Estimate (1989-2004) and Actual (2005-2023)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F17:BH17	Pipeline assets: Maintenance capitalised (2024)	Actual	N/A	SAP Trial Balances and FAMR Jemena Queensland Gas Pipeline (1) Pty Ltd and Jemena Queensland Gas Pipeline (2) Pty Ltd	N/A	No data for capitalised maintenance was noted in the review of the FAMR and the relevant SAP Trial Balances. : Maintenance capitalised	N/A
4.1	Pipeline assets (RCM)	4.1PARCM_F18:BH18	Pipeline assets: Disposal at cost (1989-2023)	Estimate (1989-2004) and Actual (2005-2023)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F18:BH18	Pipeline assets: Disposal at cost (2024)	Actual	N/A	SAP Trial Balances and FAMR Jemena Queensland Gas Pipelines (1) Pty Ltd Jemena Queensland Gas Pipelines (2) Pty Ltd	All disposals are incurred mid-year. Assumed proceeds from sales includes 10% GST on taxable supply applied to the sales amount. Disposal (as cost) has been interpreted to mean cash proceeds from the sales of property, plant and equipment which is the equivalent to the cost paid by the 3rd party which acquired the asset.	Extracted the following item from the FAR: Proceeds from sales of property, plant and equipment. Where there is an amount for Proceeds on sales of property, plant and equipment, GST has been removed by multiplying the proceeds by 10/11. Mid-point Net Capital Expenditure Gross Up Refer to Construction Cost - Mid-point Net Capital Expenditure Gross Up explanation.	N/A
4.1	Pipeline assets (RCM)	4.1PARCM_F24:BH24	Shared assets: Additions (1989-2023)	Actual	N/A	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F24:BH24	Shared assets: Additions (2024)	Actual	N/A	SAP Trial Balances and FAMR Jemena Queensland Gas Pipeline (1) Pty Ltd and Jemena Queensland Gas Pipeline (2) Pty Ltd	N/A	Assets were aggregated by year based on the year within the Capitalisation date (date field). Shared assets were identified based on: analysis of the FAMR Asset description & Asset class; input from engineers and subject matter experts; and where relevant, analysis of a separate corresponding equipment listing report which contains more detailed information than the FAMR. Shared asset additions were aggregated by year based on the year within the field Capitalisation date.	N/A

4.1	Pipeline assets (RCM)	4.1PARCM_F22:BH23 , 4.1PARCM_F25:BH26	Shared assets: Construction cost or acquisition cost (where allowed) apportioned, Residual value, Maintenance capitalised, Disposal (at cost) (1989-2023)	Estimate (1989-2004) and Actual (2005-2023)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F22:BH23 , 4.1PARCM_F25:BH26	Shared assets: Construction cost or acquisition cost (where allowed) apportioned, Residual value, Maintenance capitalised, Disposal (at cost) (2024)	Actual	N/A	SAP Trial Balances and FAMR Jemena Queensland Gas Pipeline (1) Pty Ltd and Jemena Queensland Gas Pipeline (2) Pty Ltd	N/A	No data for the following items were noted in the review of the SAP FAMR and the relevant SAP Trial Balances: Construction cost or acquisition cost (where allowed) apportioned, Maintenance capitalised Disposal (at cost)	N/A
4.1	Pipeline assets (RCM)	4.1PARCM_F31:BH31	Return of capital: Revenue (1989-2023)	Estimate (1996-2004) and Actual (1990-1995, 2005-2023)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F31:BH31	Return of capital: Revenue (2024)	Actual	N/A	SAP Trial Balances of: Jemena Queensland Gas Pipelines (1) Pty Ltd. and Jemena Queensland Gas Pipelines (2) Pty Ltd	The only revenue of the entity was pipeline revenue.	QGP uses its SAP system to capture revenue transactions. A calendar year trial balance was generated from the SAP system and the revenue general ledger accounts were aggregated.	N/A
4.1	Pipeline assets (RCM)	4.1PARCM_F32:BH32	Return of capital: Operating expenses (1989-2023)	Estimate (1996-2004) and Actual (1990-1995, 2005-2023)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F32:BH32	Return of capital: Operating expenses (2024)	Actual	N/A	SAP Trial Balances of: Jemena Queensland Gas Pipelines (1) Pty Ltd. and Jemena Queensland Gas Pipelines (2) Pty Ltd	No material non-cash items are included in the operating expenditure general ledger accounts reported. Depreciation is the key non-cash item which has been removed.	Extracted and summed the dollar amounts of operating expenditure general ledger accounts from each calendar year's trial balance excluding: Interest Depreciation, and Tax Expense.	N/A

4.1	Pipeline assets (RCM)	4.1PARCM_F33:BH33	Return of capital: Net tax liabilities (1989-2023)	Estimate	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F33:BH33	Return of capital: Net tax liabilities (2024)	Estimate	QGP is part of a consolidated tax group and does not pay corporate tax as a stand-alone entity. Therefore the net tax liability needs to be estimated.	SAP Trial Balances of : Jemena Queensland Gas Pipeline (1) Pty Ltd, and Jemena Queensland Gas Pipeline (2) Pty Ltd Gamma (imputation credits) have been sourced from the AER's 2022 Rate of Return Instrument.	'Net tax liability' is interpreted as the notional cash tax payable that would be payable if the pipeline was a stand-alone entity less the estimated imputation credits received by the stand-alone entity. When estimating each year's tax depreciation, current year net capex was assumed to be incurred mid-year and therefore only a half year of depreciation was incurred.	The pipeline is part of a consolidated tax group and does not pay corporate tax as a stand-alone entity. Therefore the net tax liability needs to be estimated. The accounting profit and loss has been reviewed to identify material non-cash items that may require adjustment for when estimating the net tax liability cash flow. Net tax liability is calculated as: (Profit/(loss) before interest, tax, depreciation and amortisation Less Estimated tax depreciation Less Estimated interest expense) multiplied by the tax rate (i.e. 30%). Multiplied by (1-Gamma) to consider the tax benefit of the imputation credits. Tax Depreciation sourced from the SAP Fixed Asset Tax Register. Interest expense sourced from SGSP (Australia) Assets Pty Ltd ("SGSPAA") Annual Report segment note calculated as: SGSPAA interest expense multiplied by Pipeline total assets divided by SGSPAA Total Assets. Gamma (imputation credits) have been sources from the AER's RoR instrument for 2022. (57%)	EBITA is the best approach for calculating the cash flows each year and therefore is the most appropriate input into the net tax liability calculation. EBITA has been sourced from actual historic records and therefore has been arrived at on a reasonable basis. The first year of post-acquisition tax depreciation is the most appropriate basis to estimate pre-acquisition tax depreciation because it is based on an actual data source.
4.1	Pipeline assets (RCM)	4.1PARCM_F35:BH35	Return of capital: Return on capital (1989-2023)	Estimate	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F35:BH35	Return of capital: Return on capital (2024)	Estimate	Dependent on rate of return estimates.	Rate of return sources are explained in Item'Return of capital: Return on capital (Rate of return)' (2024) in this table below.	N/A	Return on capital for a given year is estimated as the opening asset value for that year multiplied by the rate of return percentage for that year. The rate of return is explained in Item 'Return of capital: Return on capital (Rate of return)' (2024) in this table below.	N/A
4.1	Pipeline assets (RCM)	4.1PARCM_F39:BH39	Return of capital: Return on capital (Rate of return) (1989-2023)	Estimate	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)

4.1	Pipeline assets (RCM)	4.1PARCM_F39:BH39	Return of capital: Return on capital (Rate of return) (2024)	Estimate	Consistent with the AER's Pipeline Information Disclosure Guideline requirements	The rate of return is estimated consistent with the requirements of the AER's Pipeline Information Disclosure Guidelines and with reference to the following source inputs: Gearing: SGSPAA Financial Report Balance Sheet and Treasury Report. Cost of debt: SGSPAA Financial Report and Treasury Report. Risk-free rate: RBA Treasury Bonds – Daily – F16 Indicative mid rates of selected Australian Government Securities Equity beta: Estimated from a sample of listed international comparators from OECD countries (0.89) Market Risk Premium (MRP): AER's RoR instrument for 2022 (6.2%)	Gearing The proportion of debt funding to capital is referred to as 'gearing'. The pipeline applies a percentage reflecting SGSPAA's actual portfolio gearing of the reporting period, consistent with the AER's Pipeline Information Disclosure Guideline. Gamma (Imputation credits) 57% as determined in the AER's 2022 RoR instrument. Cost of debt (pre-tax) Calculated as the SGSPAA actual portfolio cost of debt for the reporting period, consistent with the AER's Pipeline Information Disclosure Guideline. Cost of equity (post-tax) The pipeline adopts the methodology consistent with $r_e = r_f + \beta_e(r_m - r_f)$ e AER's Pipeline Information Disclosure Guidelines.	Weighted Average Cost of Capital (WACC) The pipeline estimates the rate of return as the nominal vanilla WACC. This approach estimates the rate of return as the weighted average of opportunity costs assessed across two sources of capital funding: debt and equity. $$WACC^{vanilla} = gearing \times r_d + (1 - gearing) \times r_e$$ Where r_d is the cost of debt, and r_e is the cost of equity. Gearing The proportion of debt funding 'gearing' has been sourced consistent with the requirements of the AER's Pipeline Information Disclosure Guidelines using current financial information used in statutory, management and budgeting reporting. Cost of debt Cost of debt is calculated by dividing SGSPAA interest expense by SGSPAA Debt. Cost of equity. The cost of is estimated using the Sharpe-Lintner capital asset pricing model (S-L CAPM). $$r_e = r_f + \beta_e(r_m - r_f)$$ where: r_e is the cost of equity; r_f is the risk free rate; $r_m - r_f$ is the Market Risk Premium (**MRP**); and β_e is the equity beta.	Using a WACC as an estimate for rate of return is an accepted methodology adopted by the Australian Energy Regulatory (AER) and therefore represents the best estimate possible for this reporting. The data inputs into the WACC have been sourced from published AER accepted sources aligning to Part 10 Pipeline information disclosure guidelines.
								Equity beta: Estimated from a sample of listed international comparators from OECD countries with the following criteria: be in all three of: (1) Bloomberg Industry Classification (BICs): Gas Distribution or Midstream Oil and Gas (2) MSCI and S&P Dow Jones Indices Global Industry Classification (GICs): Gas Utilities or Oil and Gas transport (3) FTSE Russell Industry Classification Benchmark (ICB): Gas distribution or Pipeline –have an investment grade credit rating from S&P, Moody's or Fitch –with liquidity (bid-ask-spread) of less than 0.5% –has gearing greater than 0% Risk-free rate: Estimated shortly prior to the commencement of the year for which the rate of return is being set. This is estimated by reference to 10-year RBA Treasury Bonds for a 10-day period from 20 October 2023 to 2 November 2023	
4.1	Pipeline assets (RCM)	4.1PARCM_F39:BH39	For information: Rate of return (WACC) (1989-2024)	Estimate	Impact of Rate of return components.	Items 'Return of capital: Return on capital'(2024) in this table above.	N/A	**Rate of return (WACC).** = Return on capital in row 35 of the template / Opening asset value in row 38 of the template Where the opening or closing asset value (excluding negative residual value) is zero, we report N/A	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	N/A	Additional comments	N/A	N/A	N/A	N/A	N/A	The depreciated book value method and recovered capital method are fundamentally different methodologies and should generally be expected to result in different asset values. The depreciated book value method reflects depreciation applied in accordance with applicable accounting standards and a standard asset life, whereas the recovered capital method determines return of capital (depreciation) by considering the revenue generated and costs associated including operating expenses, net tax liabilities, and return on capital. As described above, under the RCM, pipeline asset additions are subject to a mid-point net capital expenditure gross up, while this adjustment is not made to additions reported under the DBVM. Additionally, the RCM considers the construction costs as incurred, whereas the DBVM may also consider other costs associated with the purchase of the pipeline.

4.1 Pipeline capital expenditure

Capital expenditure greater than 5% of construction cost, historical expansions/extensions and any planned expansions/extensions that have advanced to "Final Investment Decision" stage.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
4.1.1	Capital expenditure greater than 5% of construction cost	4.1.1CEGTOCC_D15:E41	Description of works, Date recognised, Expenditure ($ nominal)	Actual	NA	SAP	Capital expenditure recorded represents the initial construction cost of the pipeline.	The service provider analysed the underpinning data for the RCM template and with a view to identifying any projects where capex was greater than 5% of the construction cost across the years. **Actual** The service provider extracted Description of works, Date recognised and Expenditure ($ nominal) from the SAP FAMR, SAP WBS elements cost download.	None noted
4.1.2	Historical expansions and extensions	4.1.2HEAE_C47:E73	Description of works, Date recognised, Expenditure ($ nominal)	Actual	NA	SAP FAMR	NA	The service provider analysed the underpinning data for the RCM template to identify any projects where there was capital expenditure incurred for historical expansions and extensions. Reviewed the SAP FAMR and identified high value assets additions. Reviewed the high value asset additions and extracted the following data: Asset description, date capitalised and asset cost base. Reviewed the high value assets items with SME to confirm that the data extracted from the SAP FAMR aligned with SME knowledge of historic expansions and extensions. To ascertain the technical details of the expansion and extension projects of the QGP, the service provider referred to information including its fixed asset register, relevant design basis documents, asset management plans that are in the service provider's possession, as well as internal business SMEs. The Fairview Lateral extension was a pipeline lateral between Fairview Meter Station and Ridgelands. It was commissioned in 1998 and has a nameplate capacity of 110 TJ/d. Direct capital expenditure associated with this project is set out in the reporting template. Incremental operating expenditure in relation to this project is not able to be identified, as the service provider was not required to record information in such a manner when this project was undertaken. Assets constructed and installed as part of this project may be used to provide a range of pipeline services, and costs are allocated consistent with the allocation methodology set out in relation to template 2.2. The asset lives of the pipeline assets constructed and installed as part of this project are consistent with the standard asset lives reflected in table 3.3.1.	None noted

					NA		NA	The first expansion of the QGP took place between 2008 and 2010 and commissioned in 2010. It included 113km of pipeline looping between Oombabeer Scraper Station to Callide Station and the installation of two compressor stations at Bannana and Rolleston. This expansion project increased the QGP nameplate capacity from 80TJ/d to 135TJ/d. Direct capital expenditure associated with this project is set out in the reporting template. Incremental operating expenditure in relation to this project is not able to be identified, as the service provider was not required to record information in such a manner when this project was undertaken. Assets constructed and installed as part of this project may be used to provide a range of pipeline services, and costs are allocated consistent with the allocation methodology set out in relation to template 2.2.1 The asset lives of the pipeline assets constructed and installed as part of this project are consistent with the standard asset lives reflected in table 3.3.1. The second expansion of the QGP took place between 2013-2015 and was commissioned in 2015. The expansion involved pipeline looping between the Arcadia Valley Mainline Valve (MLV4) to the Rolleston Compressor Station. This expansion increased the QGP nameplate capacity from 135TJ/d to 145/d. Direct capital expenditure associated with this project is set out in the reporting template. Incremental operating expenditure in relation to this project is not able to be identified, as the service provider was not required to record information in such a manner when this project was undertaken. Assets constructed and installed as part of this project may be used to provide a range of pipeline services, and costs are allocated consistent with the allocation methodology set out in relation to template 2.2.1.Incremental operating expenditure in relation to this project is not able to be identified, as the service provider was not required to record information in such a manner when this project was undertaken. Assets constructed and installed as part of this project may be used to provide a range of pipeline services, and costs are allocated consistent with the allocation methodology set out in relation to template 2.2.1. The asset lives of the pipeline assets constructed and installed as part of this project are consistent with the standard asset lives reflected in table 3.3.1.	None noted
4.1.3	Planned expansions and extensions of capacity	4.1.3.PEAEOC	Description of the matter Proposed commissioning date, or a range of dates Expected end date, or a range of dates Facility's proposed nameplate rating, or the estimated likely range during affected period Proposed expenditure (if available, required for publicly announced expansions)	Actual	N/A		NA	Planned expansions and includes only those projects for which a Financial Investment Decision (FID) has been taken by the end of the current reporting period. Detail for new projects (description, proposed commissioning dates, proposed nameplate rating, proposed expenditure etc.) was provided by relevant SMEs. The pipeline had no planned expansions and/or extensions as at the end of the current reporting period which had passed Financial Investment Decision (FID).	None noted

5. Historical demand
Information on the amount of capacity that was contracted in each financial year and the amount of capacity that was actually used in each financial year.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
5.1	Historical Demand Information	NA	Historical demand information	NA	NA	NA	NA	NA	NA
5.2	Demand by pipeline service	N/A	Contracted MDQ: TJ/day	Actual	NA	PypIT	NA	A daily Contracted MDQ report by PID service category (e.g. Firm forward) was downloaded from PypIT for each day in the reporting period. Values shown are the average of contracted MDQ for each day in the reporting period. Note that only service types which constitute 'contracted capacity' as defined in Part 25 of the National Gas Rules are considered within the calculation of contracted MDQ. The average service category Contracted MDQ equals sum of each service categories contracted volumes for each day the reporting period divided by the number of days in the reporting period.	None noted
5.3	Daily demand	N/A	Contracted firm capacity-transportation Contracted firm capacity-storage Utilised capacity Pipeline nameplate capacity	Actual	NA	PypIT	NA	Daily demand information has been extracted from PypIT. Separate daily Contracted MDQ reports by service category (e.g. Firm forward) were downloaded from PypIT for each day in the reporting period. The reports utilised a PypIT field attached to each service which flags whether a service constitutes 'contracted capacity' (as defined in Part 25 of the National Gas Rules). **Contracted firm capacity – transportation** The contracted firm capacity (transportation) per day was calculated as the sum of daily contracted MDQ of each contracted firm active transportation service. **Contracted firm capacity – storage** The pipeline does not provide any storage services which constitute 'contracted capacity' **Utilised capacity** A PypIT daily reconciliation report was downloaded from PypIT. The daily utilised capacity is calculated as the sum of deliveries for the day plus, net volumes of gas held within park and park and loan services. **Pipeline nameplate capacity** The pipeline nameplate capacity is sourced from the engineering reports. Where a pipeline has more than one nameplate rating, the sum of each nameplate rating is displayed in the template.	None noted

6. Pricing template Provide a process or mechanism by which users and prospective users can transform the financial and historical demand information published by service providers into one or more cost-based pricing benchmarks.									
Table ID	**Table Name**	**BoP ID**	**Item Name**	**Estimated/Actual**	**Why Estimated**	**Source**	**Assumptions**	**Methodology**	**Additional Comments**
6.1	Inputs	N/A	Asset allocation to pipeline service %	Estimate	Assets are not allocated a pipeline service	Table 2.2.1 Direct revenue line items		Asset allocation to pipeline service Allocator: Ratio of the Direct revenue line item and Total Direct Revenue(excluding customer contributions) Refer to BoP for Table 2.2.2 for Direct Expenses Service allocation percentage details. Allocator justification: The allocator is the most appropriate because there is no direct link between the assets and any individual category of service. Hence allocation on the basis of revenue is most appropriate.	
6.1	AER Input	N/A	AER inputs: Average regulatory return on debt	Actual	N/A	The Average regulatory return on debt is calculated with reference to the following source inputs: SGSPAA Financial Report interest expenses and interest bearing liabilities.	Calculated as the SGSPAA actual portfolio cost of debt for the reporting period.	Average regulatory return on debt is calculated by dividing SGSPAA interest expense by SGSPAA Debt for the year ended 31 December 2024.	N/A
6.1	AER Input	N/A	AER inputs: Gearing	Actual	N/A	Gearing: SGSPAA Financial Report Balance Sheet as at 31 December 2024.	The proportion of debt funding to capital is referred to as 'gearing'. A percentage reflecting SGSPAA's actual gearing of the reporting period is applied.	The proportion of debt funding 'gearing' has been sourced based on guidance from Part 10 guidance using current financial information used in statutory, management and budgeting reporting.	N/A
6.1	AER Input	N/A	AER inputs: Statutory tax rate	Actual	N/A	Statutory tax rate has been sourced from the ATO.	N/A	Statutory tax rate has been sourced from the ATO. (30%)	N/A
6.1	AER Input	N/A	AER inputs: Gamma	Actual	N/A	Gamma (imputation credits) have been sourced from the AER's 2022 Rate of Return Instrument.	N/A	Gamma (imputation credits) have been sourced from the AER's RoR instrument for 2022. (57%)	N/A

6.1	AER Input	N/A	AER inputs: Average regulatory rate of return	Estimate	Using a WACC as an estimate for rate of return is an accepted methodology adopted by the Australian Energy Regulatory (AER) and therefore represents the best estimate possible for this reporting.	The rate of return is estimated with reference to the following source inputs: Gearing: Gearing: SGSPAA Financial Report Balance Sheet as at 31 December 2024. Cost of debt: Cost of debt: SGSPAA Financial Report interest expenses and interest bearing liabilities as at 31 December 2024. Risk-free rate: RBA Treasury Bonds – Daily – F16 Indicative mid rates of selected Australian Government Securities Equity beta: Estimated from a sample of listed international comparators from OECD countries (0.89) Market Risk Premium (MRP): AER's RoR instrument for 2022 (6.2%)	Gearing The proportion of debt funding to capital is referred to as 'gearing'. QGP applies a percentage reflecting SGSPAA's actual gearing of the reporting year. Gamma (Imputation credits) 57% as determined in the AER's 2022 RoR instrument. Cost of debt Calculated as the SGSPAA actual portfolio cost of debt for the reporting year. Cost of equity $r_e = r_f + \beta_e(r_m - r_f)$ QGP adopts the methodology provided by the AER's 2022 RoR instrument.	**Weighted Average Cost of Capital (WACC)** QGP estimates the rate of return as the nominal vanilla WACC. This approach estimates the rate of return as the weighted average of opportunity costs assessed across two sources of capital funding: debt and equity. $WACC^{vanilla} = gearing \times r_d + (1 - gearing) \times r_e$ Where r_d is the cost of debt, and r_e is the cost of equity. Gearing The proportion of debt funding 'gearing' has been sourced based on guidance from Part 10 guidance using current financial information used in statutory, management and budgeting reporting. Cost of debt Cost of debt is calculated by dividing SGSPAA interest expense by SGSPAA Debt at 31 December 2024. Cost of equity. The cost of equity for each year since the construction of the QGP is estimated using the Sharpe-Lintner capital asset pricing model (S-L CAPM). $r_e = r_f + \beta_e(r_m - r_f)$ where: r_e is the cost of equity; r_f is the risk free rate; $r_m - r_f$ is the Market Risk Premium (**MRP**); and β_e is the equity beta.	Using a WACC as an estimate for rate of return is an accepted methodology adopted by the Australian Energy Regulatory (AER) and therefore represents the best estimate possible for this reporting. The data inputs into the WACC have been sourced from published AER accepted sources aligning to Part 10 Pipeline information disclosure guidelines and Price reporting guidelines and therefore is a best estimate which has been arrived at on a reasonable basis.
								Equity beta: Estimated from a sample of listed international comparators from OECD countries with the following criteria: be in all three of: (1) Bloomberg Industry Classification (BICs): Gas Distribution or Midstream Oil and Gas (2) MSCI and S&P Dow Jones Indices Global Industry Classification (GICs): Gas Utilities or Oil and Gas transport (3) FTSE Russell Industry Classification Benchmark (ICB): Gas distribution or Pipeline have an investment grade credit rating from S&P, Moody's or Fitch with liquidity (bid-ask-spread) of less than 0.5% has gearing greater than 0% **Risk-free rate:** Estimated shortly prior to the commencement of the year for which the rate of return is being set. This is estimated by reference to 10-year RBA Treasury Bonds for a 10-day period from 20 October 2023 to 2 November 2023.	

Independent Limited Assurance Report to the Directors of the entities comprising the Queensland Gas Pipeline Service Provider

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Non-financial information included within Tables 5.2 and 5.3 of the Part 10 Financial Reporting Templates prepared by the Queensland Gas Pipeline Service Provider, is not presented fairly, in all material respects, in accordance with the Pipeline Information Disclosure Guidelines and Price Reporting Guidelines for Part 18A Facilities issued by the Australian Energy Regulator (AER) on 27 October 2023 (Guideline) and the Basis of Preparation as prescribed by the Guideline for the year ended 31 December 2024.

The Queensland Gas Pipeline Service Provider comprises the entities set out in Appendix 1.

Information Subject to Assurance

The Queensland Gas Pipeline Service Provider engaged KPMG to perform a limited assurance engagement in relation to the Non-financial Information included within Tables 5.2 and 5.3 of the Part 10 Financial Reporting Templates (Reporting Templates or Information Subject to Assurance).

Criteria Used as the Basis of Reporting

We assessed the information subject to assurance against the Criteria. The information subject to assurance needs to be read and understood together with the Criteria, being the Pipeline Information Disclosure Guidelines and Price Reporting Guidelines for Part 18A Facilities issued by the Australian Energy Regulator (AER) on 27 October 2023 (Guideline) and the Basis of Preparation as prescribed by the Guideline (Criteria).

Basis for Conclusion

We conducted our work in accordance with Australian Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* (ASAE 3000). We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

In accordance with ASAE 3000 we have:

- used our professional judgement to plan and perform the engagement to obtain limited assurance that we are not aware of any material misstatements in the information subject to assurance, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and
- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

Summary of Procedures Performed

Our limited assurance conclusion is based on the evidence obtained from performing the following procedures:

- enquiries with relevant Service Provider personnel to understand the internal controls, governance structure and reporting process of the Non-financial Information in the Reporting Templates;
- reviews of relevant documentation including the Pipeline Information Disclosure Guidelines and Price Reporting Guidelines for Part 18A Facilities issued by the Australian Energy Regulator (AER) on 27 October 2023 and the Basis of Preparation as prescribed by the Guideline;
- analytical procedures over the Non-financial Information in the Reporting Templates;
- walkthroughs of the Non-financial Information in the Reporting Templates to source documentation;
- evaluating the appropriateness of the criteria with respect to the Non-financial Information in the Reporting Templates; and
- reviewed the Non-financial Information in the Reporting Templates in its entirety to ensure it is consistent with our overall knowledge of assurance engagement.

Inherent Limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, error or material misstatement in the information subject to assurance may occur and not be detected. Non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating, and estimating such data. The precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance conclusion.

Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the Directors of the entities which comprise the Service Provider.

Use of this Assurance Report

This report has been prepared solely for the Directors of the entities which comprise the Service Provider and the AER for the purpose of assisting the Directors of the entities which comprise the Service Provider in meeting their reporting obligations on the Non-financial Information in the Reporting Templates and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of the entities which comprise the Service Provider and the AER, or for any other purpose than that for which it was prepared.

Management's Responsibility

Management are responsible for:

- determining that the criteria is appropriate to meet their needs, the needs of the Directors of the entities which comprise the Service Provider and the needs of the AER;
- preparing and presenting the information subject to assurance in accordance with the criteria; and
- establishing and maintaining systems, processes and internal controls that enable the preparation and presentation of the information subject to assurance that is free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to perform a limited assurance engagement in relation to the information subject to assurance for the year ended 31 December 2024, and to issue an assurance report that includes our conclusion based on the procedures we have performed and evidence we have obtained.

Our Independence and Quality Management

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional and Ethical Standards Board, and complied with the applicable requirements of Auditing Standard on Quality Management 1 to design, implement and operate a system of quality management.

KPMG

KPMG

Glenn Austin

Partner

Melbourne

27 June 2025

Appendix 1: List of entities which comprises the Queensland Gas Pipeline Service Provider

- Jemena Queensland Gas Pipeline (1) Pty Ltd
- Jemena Queensland Gas Pipeline (2) Pty Ltd

Contents

Part 10 Financial Reporting
Jemena Queensland Gas Pipeline (1) Pty Ltd
Jemena Queensland Gas Pipeline (2) Pty Ltd
Year ending 31/12/2024
Historical demand

For information required to be published on the Gas Bulletin Board, please provide a publicly available link on their website to the relevant part of the Gas Bulletin Board.

Table 5.2: Demand by pipeline service

	Contracted MDQ
	TJ/day
Firm forward haul transportation service	153
Backhaul service	4
Interruptible or as available transportation service	-
Firm stand-alone compression service	-
Interruptible or as available stand-alone compression service	-
Park service	-
Park and loan services	-
Capacity trading service	-
In pipe trading service	-
Other	-

Contents

Part 10 Financial Reporting
Jemena Queensland Gas Pipeline (1) Pty Ltd
Jemena Queensland Gas Pipeline (2) Pty Ltd
Year ending 31/12/2024

Historical demand

For information required to be published on the Gas Bulletin Board, please provide a publicly available link on their website to the relevant part of the Gas Bulletin Board.

Table 5.3: Daily demand

	Contracted firm capacity-transportation	Contracted firm capacity-storage	Utilised capacity	Pipeline nameplate capacity	Available capacity-total	Available capacity-firm	Available contracted capacity
	TJ/day	TJ/day	TJ/day	TJ/day			
Total	**57,282**	**-**	**42,112**	**-**	**25,334**	**10,163**	**15,171**
1/01/2024	157	-	144	182	39	26	13
2/01/2024	157	-	150	182	32	26	6
3/01/2024	157	-	145	182	37	26	11
4/01/2024	157	-	141	182	42	26	16
5/01/2024	157	-	136	182	46	26	21
6/01/2024	157	-	137	182	45	26	20
7/01/2024	157	-	141	182	41	26	15
8/01/2024	157	-	143	182	39	26	14
9/01/2024	157	-	154	182	29	26	3
10/01/2024	157	-	150	182	33	26	7
11/01/2024	157	-	156	182	26	26	0
12/01/2024	157	-	152	182	31	26	5
13/01/2024	157	-	148	182	35	26	9
14/01/2024	157	-	146	182	37	26	11
15/01/2024	157	-	143	182	39	26	13
16/01/2024	157	-	138	182	44	26	19
17/01/2024	157	-	132	182	50	26	24
18/01/2024	157	-	135	182	48	26	22
19/01/2024	157	-	133	182	49	26	23
20/01/2024	157	-	137	182	45	26	19
21/01/2024	157	-	131	182	51	26	26
22/01/2024	157	-	137	182	45	26	19
23/01/2024	157	-	141	182	41	26	15
24/01/2024	157	-	148	182	34	26	8
25/01/2024	157	-	142	182	40	26	15
26/01/2024	157	-	134	182	49	26	23
27/01/2024	157	-	131	182	51	26	25
28/01/2024	157	-	130	182	52	26	26
29/01/2024	157	-	130	182	52	26	26
30/01/2024	157	-	132	182	50	26	25
31/01/2024	157	-	134	182	48	26	23
1/02/2024	157	-	133	182	50	26	24
2/02/2024	157	-	126	182	56	26	31
3/02/2024	157	-	121	182	61	26	36
4/02/2024	157	-	121	182	62	26	36
5/02/2024	157	-	121	182	61	26	35
6/02/2024	157	-	105	182	78	26	52
7/02/2024	157	-	113	182	70	26	44
8/02/2024	157	-	116	182	66	26	40
9/02/2024	157	-	124	182	58	26	32
10/02/2024	157	-	113	182	69	26	44
11/02/2024	157	-	116	182	66	26	40

12/02/2024	157	-	127	182	56	26	30
13/02/2024	157	-	126	182	56	26	31
14/02/2024	157	-	129	182	53	26	27
15/02/2024	157	-	130	182	52	26	26
16/02/2024	157	-	142	182	41	26	15
17/02/2024	157	-	139	182	43	26	18
18/02/2024	157	-	135	182	48	26	22
19/02/2024	157	-	136	182	47	26	21
20/02/2024	157	-	132	182	51	26	25
21/02/2024	157	-	120	182	62	26	36
22/02/2024	157	-	124	182	58	26	33
23/02/2024	157	-	128	182	54	26	29
24/02/2024	157	-	119	182	63	26	38
25/02/2024	157	-	127	182	55	26	29
26/02/2024	157	-	132	182	50	26	24
27/02/2024	157	-	128	182	54	26	28
28/02/2024	157	-	127	182	55	26	30
29/02/2024	157	-	133	182	50	26	24
1/03/2024	157	-	132	182	50	26	25
2/03/2024	157	-	124	182	58	26	32
3/03/2024	157	-	126	182	56	26	30
4/03/2024	157	-	119	182	63	26	38
5/03/2024	157	-	83	182	100	26	74
6/03/2024	157	-	31	182	151	26	125
7/03/2024	157	-	46	182	136	26	111
8/03/2024	157	-	52	182	130	26	104
9/03/2024	157	-	64	182	118	26	92
10/03/2024	157	-	63	182	120	26	94
11/03/2024	157	-	63	182	119	26	93
12/03/2024	157	-	65	182	117	26	91
13/03/2024	157	-	64	182	118	26	93
14/03/2024	157	-	51	182	131	26	105
15/03/2024	157	-	53	182	129	26	103
16/03/2024	157	-	59	182	123	26	97
17/03/2024	157	-	50	182	132	26	107
18/03/2024	157	-	60	182	122	26	97
19/03/2024	157	-	71	182	111	26	85
20/03/2024	157	-	71	182	111	26	85
21/03/2024	157	-	74	182	108	26	82
22/03/2024	157	-	66	182	117	26	91
23/03/2024	157	-	55	182	127	26	101
24/03/2024	157	-	65	182	117	26	92
25/03/2024	157	-	69	182	113	26	87
26/03/2024	157	-	68	182	114	26	88
27/03/2024	157	-	67	182	115	26	89

28/03/2024	157	-	68	182	**114**	**26**	**88**
29/03/2024	157	-	74	182	**108**	**26**	**83**
30/03/2024	157	-	82	182	**100**	**26**	**75**
31/03/2024	157	-	83	182	**99**	**26**	**74**
1/04/2024	157	-	84	186	**102**	**29**	**73**
2/04/2024	157	-	83	186	**103**	**29**	**73**
3/04/2024	157	-	84	186	**102**	**29**	**73**
4/04/2024	157	-	85	186	**101**	**29**	**71**
5/04/2024	157	-	86	186	**100**	**29**	**71**
6/04/2024	157	-	85	186	**101**	**29**	**71**
7/04/2024	157	-	87	186	**99**	**29**	**69**
8/04/2024	157	-	88	186	**98**	**29**	**69**
9/04/2024	157	-	107	186	**79**	**29**	**50**
10/04/2024	157	-	106	186	**80**	**29**	**51**
11/04/2024	157	-	104	186	**82**	**29**	**52**
12/04/2024	157	-	103	186	**83**	**29**	**53**
13/04/2024	157	-	103	186	**83**	**29**	**54**
14/04/2024	157	-	100	186	**86**	**29**	**56**
15/04/2024	157	-	101	186	**85**	**29**	**55**
16/04/2024	157	-	104	186	**82**	**29**	**52**
17/04/2024	157	-	104	186	**82**	**29**	**52**
18/04/2024	157	-	104	186	**82**	**29**	**53**
19/04/2024	157	-	106	186	**80**	**29**	**51**
20/04/2024	157	-	103	186	**83**	**29**	**54**
21/04/2024	157	-	104	186	**82**	**29**	**53**
22/04/2024	157	-	101	186	**85**	**29**	**55**
23/04/2024	157	-	101	186	**85**	**29**	**55**
24/04/2024	157	-	103	186	**83**	**29**	**53**
25/04/2024	157	-	105	186	**81**	**29**	**52**
26/04/2024	157	-	105	186	**81**	**29**	**51**
27/04/2024	157	-	104	186	**82**	**29**	**53**
28/04/2024	157	-	104	186	**82**	**29**	**53**
29/04/2024	157	-	100	186	**86**	**29**	**56**
30/04/2024	157	-	108	186	**78**	**29**	**49**
1/05/2024	157	-	105	186	**81**	**29**	**52**
2/05/2024	157	-	104	186	**82**	**29**	**53**
3/05/2024	157	-	105	186	**81**	**29**	**52**
4/05/2024	157	-	105	186	**81**	**29**	**51**
5/05/2024	157	-	103	186	**83**	**29**	**53**
6/05/2024	157	-	105	186	**81**	**29**	**51**
7/05/2024	157	-	96	186	**90**	**29**	**61**
8/05/2024	157	-	102	186	**84**	**29**	**55**
9/05/2024	157	-	111	186	**75**	**29**	**46**
10/05/2024	157	-	114	186	**72**	**29**	**43**
11/05/2024	157	-	112	186	**74**	**29**	**44**
12/05/2024	157	-	111	186	**75**	**29**	**45**
13/05/2024	157	-	111	186	**75**	**29**	**45**
14/05/2024	157	-	112	186	**74**	**29**	**44**
15/05/2024	157	-	113	186	**73**	**29**	**44**
16/05/2024	157	-	115	186	**71**	**29**	**42**
17/05/2024	157	-	112	186	**74**	**29**	**45**
18/05/2024	157	-	113	186	**73**	**29**	**44**
19/05/2024	157	-	112	186	**74**	**29**	**45**
20/05/2024	157	-	110	186	**76**	**29**	**46**

21/05/2024	157	-	110	186	76	29	46
22/05/2024	157	-	113	186	73	29	44
23/05/2024	157	-	112	186	74	29	44
24/05/2024	157	-	110	186	76	29	47
25/05/2024	157	-	109	186	77	29	48
26/05/2024	157	-	108	186	78	29	48
27/05/2024	157	-	110	186	76	29	46
28/05/2024	157	-	103	186	83	29	54
29/05/2024	157	-	111	186	75	29	46
30/05/2024	157	-	109	186	77	29	48
31/05/2024	157	-	111	186	75	29	46
1/06/2024	157	-	107	186	79	29	50
2/06/2024	157	-	106	186	80	29	50
3/06/2024	157	-	106	186	80	29	50
4/06/2024	157	-	106	186	80	29	51
5/06/2024	157	-	98	186	88	29	59
6/06/2024	157	-	103	186	83	29	54
7/06/2024	157	-	95	186	91	29	61
8/06/2024	157	-	75	186	111	29	82
9/06/2024	157	-	99	186	87	29	58
10/06/2024	157	-	98	186	88	29	58
11/06/2024	157	-	104	186	82	29	53
12/06/2024	157	-	101	186	85	29	55
13/06/2024	157	-	111	186	75	29	46
14/06/2024	157	-	109	186	77	29	48
15/06/2024	157	-	108	186	78	29	48
16/06/2024	157	-	111	186	75	29	45
17/06/2024	157	-	107	186	79	29	50
18/06/2024	157	-	98	186	88	29	58
19/06/2024	157	-	118	186	68	29	38
20/06/2024	157	-	117	186	69	29	40
21/06/2024	157	-	118	186	68	29	38
22/06/2024	157	-	119	186	67	29	38
23/06/2024	157	-	119	186	67	29	38
24/06/2024	157	-	116	186	70	29	41
25/06/2024	157	-	114	186	72	29	42
26/06/2024	157	-	116	186	70	29	41
27/06/2024	157	-	115	186	71	29	41
28/06/2024	157	-	114	186	72	29	42
29/06/2024	157	-	115	186	71	29	42
30/06/2024	157	-	112	186	74	29	44
1/07/2024	157	-	109	186	77	29	47
2/07/2024	157	-	111	186	75	29	45
3/07/2024	157	-	110	186	76	29	46
4/07/2024	157	-	109	186	77	29	47
5/07/2024	157	-	108	186	78	29	48
6/07/2024	157	-	105	186	81	29	51
7/07/2024	157	-	104	186	82	29	52
8/07/2024	157	-	102	186	84	29	55
9/07/2024	157	-	102	186	84	29	54
10/07/2024	157	-	101	186	85	29	55
11/07/2024	157	-	103	186	83	29	54
12/07/2024	157	-	109	186	77	29	48
13/07/2024	157	-	109	186	77	29	48
14/07/2024	157	-	111	186	75	29	45
15/07/2024	157	-	110	186	76	29	46
16/07/2024	157	-	109	186	77	29	47
17/07/2024	157	-	105	186	81	29	52
18/07/2024	157	-	106	186	80	29	51
19/07/2024	157	-	110	186	76	29	46

20/07/2024	157	-	114	186	72	29	43
21/07/2024	157	-	115	186	71	29	41
22/07/2024	157	-	114	186	72	29	43
23/07/2024	157	-	113	186	73	29	43
24/07/2024	157	-	113	186	73	29	43
25/07/2024	157	-	112	186	74	29	45
26/07/2024	157	-	115	186	71	29	42
27/07/2024	157	-	117	186	69	29	40
28/07/2024	157	-	116	186	70	29	41
29/07/2024	157	-	115	186	71	29	41
30/07/2024	157	-	109	186	77	29	48
31/07/2024	157	-	101	186	85	29	55
1/08/2024	157	-	106	186	80	29	51
2/08/2024	157	-	122	186	64	29	35
3/08/2024	157	-	120	186	66	29	37
4/08/2024	157	-	118	186	68	29	39
5/08/2024	157	-	116	186	70	29	41
6/08/2024	157	-	109	186	77	29	47
7/08/2024	157	-	105	186	81	29	52
8/08/2024	157	-	105	186	81	29	52
9/08/2024	157	-	104	186	82	29	53
10/08/2024	157	-	106	186	80	29	51
11/08/2024	157	-	107	186	79	29	49
12/08/2024	157	-	115	186	71	29	41
13/08/2024	157	-	124	186	62	29	32
14/08/2024	157	-	130	186	56	29	26
15/08/2024	157	-	140	186	46	29	17
16/08/2024	157	-	137	186	49	29	19
17/08/2024	157	-	140	186	46	29	16
18/08/2024	157	-	148	186	38	29	8
19/08/2024	157	-	142	186	44	29	14
20/08/2024	157	-	69	186	117	29	88
21/08/2024	157	-	80	186	106	29	77
22/08/2024	157	-	96	186	90	29	61
23/08/2024	157	-	101	186	85	29	55
24/08/2024	157	-	97	186	89	29	60
25/08/2024	157	-	95	186	91	29	61
26/08/2024	157	-	95	186	91	29	62
27/08/2024	157	-	100	186	86	29	56
28/08/2024	157	-	89	186	97	29	68
29/08/2024	157	-	88	186	98	29	68
30/08/2024	157	-	92	186	94	29	65
31/08/2024	157	-	119	186	67	29	37
1/09/2024	157	-	126	186	60	29	30
2/09/2024	157	-	126	186	60	29	30
3/09/2024	157	-	127	186	59	29	30
4/09/2024	157	-	129	186	57	29	27
5/09/2024	157	-	127	186	59	29	29
6/09/2024	157	-	125	186	61	29	32

7/09/2024	157	-	127	186	59	29	29
8/09/2024	157	-	120	186	66	29	37
9/09/2024	157	-	121	186	65	29	36
10/09/2024	157	-	120	186	66	29	37
11/09/2024	157	-	122	186	64	29	35
12/09/2024	157	-	123	186	63	29	33
13/09/2024	157	-	125	186	61	29	31
14/09/2024	157	-	123	186	63	29	34
15/09/2024	157	-	124	186	62	29	33
16/09/2024	157	-	128	186	58	29	29
17/09/2024	157	-	130	186	56	29	27
18/09/2024	157	-	131	186	55	29	26
19/09/2024	157	-	136	186	50	29	21
20/09/2024	157	-	133	186	53	29	24
21/09/2024	157	-	138	186	48	29	18
22/09/2024	157	-	138	186	48	29	18
23/09/2024	157	-	140	186	46	29	17
24/09/2024	157	-	136	186	50	29	21
25/09/2024	157	-	132	186	54	29	24
26/09/2024	157	-	130	186	56	29	26
27/09/2024	157	-	130	186	56	29	27
28/09/2024	157	-	122	186	64	29	34
29/09/2024	157	-	121	186	65	29	35
30/09/2024	157	-	119	186	67	29	37
1/10/2024	157	-	121	186	65	29	36
2/10/2024	157	-	122	186	64	29	34
3/10/2024	157	-	126	186	60	29	30
4/10/2024	157	-	130	186	56	29	26
5/10/2024	157	-	128	186	58	29	28
6/10/2024	157	-	126	186	60	29	31
7/10/2024	157	-	127	186	59	29	30
8/10/2024	157	-	127	186	59	29	30
9/10/2024	157	-	127	186	59	29	30
10/10/2024	157	-	124	186	62	29	33
11/10/2024	157	-	122	186	64	29	34
12/10/2024	157	-	121	186	65	29	35
13/10/2024	157	-	117	186	69	29	39
14/10/2024	157	-	115	186	71	29	42
15/10/2024	157	-	114	186	72	29	43
16/10/2024	157	-	122	186	64	29	35
17/10/2024	157	-	123	186	63	29	34
18/10/2024	157	-	115	182	67	26	41
19/10/2024	157	-	113	182	69	26	43
20/10/2024	157	-	113	182	70	26	44
21/10/2024	157	-	122	182	61	26	35
22/10/2024	157	-	127	182	55	26	29
23/10/2024	157	-	120	182	62	26	36
24/10/2024	157	-	117	182	66	26	40
25/10/2024	157	-	117	182	65	26	40
26/10/2024	157	-	115	182	67	26	41
27/10/2024	157	-	121	182	61	26	35
28/10/2024	157	-	125	182	57	26	31
29/10/2024	157	-	128	182	55	26	29
30/10/2024	157	-	127	182	56	26	30
31/10/2024	157	-	126	182	56	26	30
1/11/2024	157	-	124	182	58	26	32
2/11/2024	157	-	122	182	60	26	35
3/11/2024	157	-	137	182	45	26	20
4/11/2024	157	-	131	182	51	26	25
5/11/2024	157	-	131	182	51	26	25
6/11/2024	157	-	128	182	54	26	28
7/11/2024	157	-	128	182	54	26	28
8/11/2024	157	-	126	182	57	26	31
9/11/2024	157	-	125	182	57	26	31
10/11/2024	157	-	124	182	58	26	32
11/11/2024	157	-	129	182	53	26	28
12/11/2024	157	-	129	182	53	26	27
13/11/2024	157	-	136	182	46	26	20
14/11/2024	157	-	130	182	52	26	27

15/11/2024	157	-	136	182	46	26	20
16/11/2024	157	-	136	182	46	26	21
17/11/2024	157	-	133	182	49	26	23
18/11/2024	157	-	135	182	47	26	22
19/11/2024	157	-	134	182	48	26	23
20/11/2024	157	-	134	182	49	26	23
21/11/2024	157	-	130	182	52	26	27
22/11/2024	157	-	132	182	50	26	24
23/11/2024	157	-	131	182	51	26	26
24/11/2024	157	-	126	182	56	26	30
25/11/2024	157	-	127	182	55	26	29
26/11/2024	157	-	127	182	55	26	30
27/11/2024	157	-	124	182	58	26	32
28/11/2024	157	-	128	182	55	26	29
29/11/2024	157	-	127	182	55	26	29
30/11/2024	157	-	126	182	56	26	30
1/12/2024	157	-	126	182	56	26	30
2/12/2024	157	-	129	182	53	26	28
3/12/2024	157	-	129	182	53	26	28
4/12/2024	157	-	132	182	50	26	25
5/12/2024	157	-	131	182	51	26	25
6/12/2024	157	-	131	182	51	26	25
7/12/2024	157	-	131	182	51	26	25
8/12/2024	157	-	132	182	50	26	25
9/12/2024	157	-	130	182	52	26	26
10/12/2024	157	-	130	182	52	26	26
11/12/2024	157	-	125	182	57	26	32
12/12/2024	157	-	130	182	52	26	27
13/12/2024	157	-	135	182	47	26	21
14/12/2024	157	-	133	182	49	26	23
15/12/2024	157	-	141	182	41	26	16
16/12/2024	157	-	147	182	36	26	10
17/12/2024	157	-	148	182	35	26	9
18/12/2024	157	-	140	182	42	26	17
19/12/2024	157	-	138	182	44	26	18
20/12/2024	157	-	137	182	45	26	19
21/12/2024	157	-	133	182	49	26	24
22/12/2024	157	-	133	182	49	26	23
23/12/2024	157	-	128	182	55	26	29
24/12/2024	157	-	124	182	59	26	33
25/12/2024	157	-	125	182	57	26	32
26/12/2024	157	-	118	182	64	26	39
27/12/2024	157	-	119	182	63	26	37
28/12/2024	157	-	122	182	60	26	34
29/12/2024	157	-	126	182	56	26	31
30/12/2024	157	-	115	182	67	26	41
31/12/2024	157	-	114	182	69	26	43

The Australian Energy Regulator (AER) issued Pipeline Information Disclosure Guidelines (the Guideline) in October 2023 under Part 10 of the National Gas Rules. This Guideline requires service providers to publish certain financial information in relation to pipelines.

This Basis of Preparation relates to the information reported for the Queensland Gas Pipeline (QGP) for the reporting period 1 January to 31 December 2024 (reporting period). Jemena Queensland Gas Pipeline (1) Pty Ltd and Jemena Queensland Gas Pipeline (2) Pty Ltd (collectively, service providers) are the service providers of the pipeline. For the purposes of section 1.7 of the Guideline, the members of the service provider group have appointed Jemena Queensland Gas Pipeline (1) Pty Ltd as the responsible service provider for the purposes of publishing the information.

The Queensland Gas Pipeline is a non-scheme pipeline under the National Gas Law.

To apply the Guideline we have adopted the following general interpretations:

•Acquisition costs and associated dates (mainly in the Recovered Capital Method (RCM) template) are determined by reference to the ownership of the pipeline by the Jemena Group. This means for instance that acquisition of the QGP occurred on 1 Aug 2007 when the Jemena Group acquired the pipeline.

•Actual information includes information calculated directly from information contained in Jemena Group's systems and other records whose presentation is not dependent on material judgement. Estimated information is anything other than actual information.

•To meet the requirements of the Guideline when compiling the RCM valuation (section 4.1) the service providers undertook all reasonable steps to obtain historical information where this was not already available to the Jemena Group. These steps are further explained in the RCM secton of this basis of preparation.

The rest of this basis of preparation document explains how we have populated each of the templates required by the Guideline, including by identifying where estimated data was used when actual data was not available.

1. Pipeline information

Service providers are required to report the details of the pipeline, pipeline services provided and whether these services are provided to related parties and non-related parties.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
1.1	Pipeline details	N/A - No BoP Reference cells in the AER template	Pipeline Location and Length Number of Customers Service Type Pipeline Nameplate Capacity Construction	Actual	NA	Pipeline Location and Length GIS Number of Customers PypIT Service Type AEMC's gas pipeline register Pipeline Nameplate Capacity Refer to basis of preparation for Table 5.3. Construction Date 30th June 1989	NA	**Pipeline Location and Length** The pipeline lengths are calculated in the Geographic Information System (GIS) by summing the geometric lengths of the pipeline and all its laterals. Pipeline Map Link: https://www.jemena.com.au/siteassets/asset-folder/documents/pipeline/qgp/qgp-map-dated.pdf **Number of Customers** Number of contracted customers are calculated by running a PypIT invoice summary report and pivoting this for the number of customers in the period.. PypIT is the billing/invoicing system used by the pipeline. PypIT records customer contract information and provides customer volumes and revenue data by service type. **Service Type** As per AEMC's gas pipeline register of pipeline classification under the National Gas Law: https://www.aemc.gov.au/energy-system/gas/gas-pipeline-register **Pipeline Nameplate Capacity** Refer to basis of preparation for Table 5.3. **Construction Date** Construction date is interpreted as the mid-point of the year when construction commenced.	None Noted
1.2	Pipeline services provided	N/A - No BoP Reference cells in the template	Pipeline services provided	Actual	NA	PypIT	NA	Based on current service offerings as described below. **Service description** A Commercial Operations SME reviewed all services provided and made available to customers during the reporting period based on which the template was populated. **Provided to non-related parties** All services were provided to non-related parties based on a review of the PypIT customer listing and relevant supporting contracts. **Provided to related parties** No services were provided to related parties.	Other pipeline services provided This includes Day Ahead Auction revenue.

2. Revenue and expenses

An overview of the revenue generated from pipeline operations and the costs associated with the pipeline, published by pipeline services.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
2.1	Statement of pipeline revenue and expenses by service	NA	NA	NA	NA	NA	NA	NA	NA

2.1 Profit & Loss statement by components

An overview of the revenue generated from pipeline operations and the costs associated with the pipeline, published by P&L components.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
2.1.1	Statement of pipeline revenue and expenses by component	2.1.1SOPRAEBC_D13:I22	Description: Direct revenue by pipeline	Actual	N/A	PypIT and SAP	None noted	**Amount excluding related party transactions:** **Total service revenue** Refer to Table ID 2.2.1, which includes an explanation of how revenue is allocated to 'Description' categories. **Customer Contributions revenue** None **Government Contributions revenue** None **Profit from sale of fixed assets & Other direct revenue** Items reported in this description category based on review of the SAP general ledger extract. **Other indirect revenue** None **Reporting period – Amounts excluding related party transactions** No related party revenue transactions were noted in the review of the SAP ledger transactions and the supporting customer artefacts, therefore all revenue has been reported within the 'Amount excluding related party transactions' column.	None noted
2.1.1	Statement of pipeline revenues and expenses by component	2.1.1SOPRAEBC_D24:I45	Description: Direct expenses by pipeline Shared expenses by pipeline	Actual	N/A	SAP	None noted	The pipeline uses an Enterprise Resource Planning (ERP) system (SAP) to record its financial transactions. Costs are collected in planned maintenance orders (PMO) that cascade up to projects (WBS elements) in SAP based on the activity, on which an employee works or where an external supplier provides goods/services. Reporting tools (BI and Analysis for Office) are used to download the operating expenditure costs from SAP. The data is aggregated by WBS element and general ledger account code (cost element) and mapped into the relevant cost category of the template. **Related party and non-related party** The majority of costs that the service provider incurs are sourced from a related entity, Jemena Asset Management Pty Ltd (JAM). JAM records costs that are attributable to the service provider and uses SAP functionality to transfer such costs at zero margin to the service provider. These costs are reported in the 'related party transactions' column. **Direct costs and Shared costs** Direct and shared cost classification is based upon the activity/service category codes included as part of the WBS element structure for each project. An activity/service mapping table is used to map activities into relevant cost categories: -Direct Costs: For example, Commercial Management (customers and markets, strategy and market development, project development), Business Operations (integrated business performance, operations excellence, control room monitoring, commercial support), Asset management (asset investment, plant performance, planning & assessment, information & maintenance support), Service Delivery (construction, maintenance and faults, metering, emergency response). Directly attributable costs are allocated to pipeline through a PM Order which is the lowest level cost collector. PM Order's settle or cascade up to a specific project (WBS) in SAP. -Shared Costs: Enterprise Support Functions (For example, executive management, finance, legal, human resources, information technology (IT) etc.). Note: Shared costs flow into Table 2.1.1 from Table 2.5.1 Shared cost allocation.	None noted
								Mapping Opex into the template 'Description' categories: The cost element description field from costs within the pipeline was used to map into the template's categories (e.g. 'wages', 'other direct costs', 'employee costs', 'indirect operating expenses', etc.). The pipeline has interpreted direct wages as the payroll costs of staff who are not enterprise support functions. The pipeline's shared employee costs are the allocated payroll costs of enterprise support function staff such as finance, legal, people, safety and environment. Where project descriptions and activity/service category codes support classification within a more specific category then the cost element-based mapping was overridden . The following description categories were populated based on project description/activity code mapping: -Information technology and communication costs -Rental and leasing costs -Repairs and maintenance -Leasing and rental costs Note: Insurance costs are included in the enterprise support costs as these are shared across the Jemena Group, therefore a $nil value has been reported for Direct Insurance costs. **Earnings before Interest and tax (EBIT)** Non-input cell.	None noted
2.1.1	Statement of pipeline revenues and expenses by component	2.1.1SOPRAEBC_D24:I45	Description: Depreciation (Direct expenses by pipeline) Shared asset depreciation (Shared expenses allocated to pipeline)	Actual	N/A	SAP – Fixed Asset Movement Report (FAMR) and Equipment Register The SGSP (Australia) Assets Pty Ltd (SGSPAA) Group Consolidation support schedule (Business Combination Adjustments and Goodwill)	None noted	**SAP FAMR** Depreciation expense was extracted from the annual SAP FAMR. **SGSPAA Group Consolidation supporting schedule** Depreciation expense was extracted from the SGSPAA Group Consolidation supporting schedule for pipeline assets not included in the SAP FAMR. Total depreciation was classified between direct depreciation and shared asset depreciation based on the mapping of the individual assets in the FAMR applied in Table 3.5.1 Depreciation. **Reporting period – Amounts excluding related party transactions** All depreciation expenses are recorded directly within the Pipeline and are not transferred from a related party entity and therefore are reported in the 'Amounts excluding related party transactions' column.	None noted

2.2 Allocation to pipeline services
A breakdown of revenue and expanses by each pipeline services.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
2.2.1	Revenue by service	2.2.1RBS_D13:K23	Direct Revenue (excl. capital contributions)	Actual	N/A	PypIT and SAP	N/A	**Allocation to pipeline service & -Amount excluding related party transactions** **Allocator and Allocator justification:** Each PypIT Revenue Service ID is directly attributable to a specific category of Direct Revenue based on the contract details contained in PypIT and an assessment of the nature of the service provided. Each direct revenue line item's Allocation of Pipeline Service (%) is calculated as the revenue amount ($) per line item divided by the Total direct revenue amount ($). **Allocator justification:** Numeric quantities of allocators are displayed in the reporting template. **Non-PypIT Revenue (SAP)** SAP revenue items that are not sourced from PypIT do not relate to any of the standard categories shown in the template and are reported in the 'Other' Direct revenue category based on analysis of supporting SAP journal records. Other Direct revenue is prodominently made up of imbalance charges for QGP. **Reporting period – Amounts excluding related party transactions** Based on a review of PypIT customer records and SAP supporting records, the pipeline did not have any direct revenue sourced from related parties, therefore all revenue has been reported within the 'Amount excluding related party transactions' column.	None noted
2.2.1	Revenue by service	2.2.1RBS_D25:K35	Capital Contributions	Actual		SAP		**Allocation to pipeline service & Amount excluding related party transactions** **Allocator:** Capital contributions were sourced from the pipeline's SAP general ledger and allocated to the 'Description' revenue categories based on the Direct Revenue allocator. **Allocator justification:** The Direct revenue allocator was the most appropriate for Capital Contributions where capital contributions are not attributable to a specific revenue category i.e. Customers who make capital contributions may use multiple services. In terms of allocation to services where the intention of the connection was unclear at the time of the capital works agreement subsequent revenue for that connection point was used as a basis to allocate to the different service types. Numeric quantities of allocators are displayed in the reporting template. **Reporting period -Related party transactions** Based on a review of SAP supporting records, the pipeline did not have any Capital Contributions sourced from related parties.	None noted
2.2.1	Revenue by service	2.2.1RBS_D37:K49	Indirect revenue allocated	Actual	N/A	SAP	N/A	No indirect revenue was reported as no indirect revenue was allocated to the pipeline during the reporting period as such amounts would have been recorded in the pipeline's SAP general ledger.	None noted
2.2.2	Expenses by service	2.2.2EBS_D56:K66 2.2.2EBS_D80:K91	Total direct expenses (excl. depreciation) Total shared expenses (excl. depreciation)	Actual (except for allocation to pipeline services)	Direct expenses and Shared expenses are not directly attributed in SAP into a specific Direct revenue category	Direct revenue line items	Expenses have been allocated using revenue as an allocator.	**Allocation to pipeline service & Amount excluding related party transactions** **Allocator:** Expenses were allocated to the 'Description' categories based on the Direct Revenue allocator. Allocation of Pipeline Service (%) calculated as Total direct expenses / Total shared expenses (excl. depreciation) ($) multiplied by Direct revenue line item amount ($) divided by the Total direct revenue amount ($) ratio. **Allocator justification:** The allocator is the most appropriate because there is a relationship between the economic benefits realised (direct revenue) and the economic benefits consumed (Direct expenses & Shared Expenses) as a result of operating the pipeline, and the service operator is not aware of a more appropriate allocation approach. Numeric quantities of allocators are displayed in the reporting template.	None noted
2.2.2	Expenses by service	2.2.2EBS_D68:K78	Depreciation	Actual (except for allocation to pipeline services)	Assets and the resulting depreciation expense are not attributed in SAP into a specific Direct revenue category	2.2.1 Direct revenue line items	N/A	**Allocation to pipeline service & Amount excluding related party transactions** **Allocator:** Depreciation was allocated to the 'Description' categories based on the Direct Revenue allocator. Allocation of Pipeline Service (%) calculated as Total depreciation ($) multiplied by Direct revenue line item amount ($) divided by the Total direct revenue amount ($) ratio. **Allocator justification:** The allocator is the most appropriate because there is a relationship between the economic benefits realised (direct revenue) and the economic benefits consumed (depreciation) through utilisation of the Service Provider's assets, and the service operator is not aware of a more appropriate allocation approach. Numeric quantities of allocators are displayed in the reporting template.	None noted

2.3 Revenue contributions A list of capital contributions received (including both customer and government contributions).									
Table ID	**Table Name**	**BoP ID**	**Item Name**	**Estimated/Actual**	**Why Estimated**	**Source**	**Assumptions**	**Methodology**	**Additional Comments**
2.3.1	Customer contributions received	N/A – No Basis of Preparation ID cell noted in table	Description	Actual	N/A	SAP	N/A	The SAP general ledger was reviewed to assess whether any Customer contributions were recognised as revenue. The supporting journal documentation was reviewed to assess whether or not the contribution was received from a related party.	None noted
2.3.2	Government contributions received	N/A – No Basis of Preparation ID cell noted in table	Description	Actual	N/A	SAP	N/A	The SAP general ledger was reviewed to assess whether any Government contributions received. No such transactions were identified.	None noted

2.4 Indirect revenue

A list of the indirect revenue allocated to the pipeline

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
2.4.1	Indirect Revenue allocation	2.4.1.IRA	Description	Actual	N/A	SAP	N/A	The SAP general ledger was reviewed to assess whether any Indirect revenue was received. Indirect revenue was reported as nil on the basis that there was no indirect revenue which was required to be allocated to the pipeline.	None noted

2.5 Shared expenses

Service providers are required to allocate a fair proportion of shared costs such as corporate overheads to each pipeline.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
2.5.1	Shared Cost Allocation	2.5.1SEA_D15:J36	Description categories, Income statement account applied to, Shared costs excluding related parties, Shared costs paid to related parties, (Gross shared costs), % allocated to pipeline, Total allocated to pipeline excluding related parties, Total related party amounts allocated to pipeline (Net shared costs).	Actual	N/A	SAP	N/A	Shared Costs relate to enterprise support functions such as executive management, finance, legal, information technology (IT), human resources etc. Shared costs reported are those of the broader SGSPAA Group excluding Zinfra. **Description categories** The cost element description field was used to map costs into the template's 'Description' categories (e.g. 'Employee costs', 'Indirect operating expenses', etc.). Project descriptions were also used as a basis to categorise costs into description categories (e.g. 'Information technology and communication costs'). For costs other than labour, project descriptions and activity/service category codes were used for further specific categorisation.The following description categories were populated based on project description/activity code mapping: -Information technology and communication costs. -Rental and leasing costs. Income statement account applied to Each 'Description' category row in the template is the aggregation of multiple cost element description categories and Project descriptions therefore the column 'Income statement account applied to' has been populated as 'Various'.	None noted
								Related party and non-related party: **Shared costs excluding related parties** Shared asset depreciation is the only value included in this column as depreciation is based on shared assets purchased by the Jemena Group and allocated to the pipeline. **Shared costs paid to related parties:** The gross shared costs paid to related parties for enterprise support functions (e.g. Finance, Legal, Managing Director) are the total shared costs incurred across the Jemena Group before allocating to specific assets (e.g. pipelines). Gross shared costs are collected in SAP at the JAM entity. It is from this entity that the allocation of shared costs occurs. These allocated costs are transferred to the pipeline using SAP functionality and mapped into the template categories based on a methodology consistent with the approach outlined above for net shared costs, therefore based on: -cost element mapping and -project descriptions and activity/service category codes **Percent (%) allocated to pipeline and total allocated to pipeline excluding related parties,** As described above, the majority of shared costs that the pipeline incurs are sourced from a related entity JAM which records costs that relate to the pipeline and uses SAP functionality that transfers such costs at zero margin to the pipeline. These costs are reported in the 'Shared costs paid to related parties' column.	None noted
								Allocator: Shared costs are allocated in the following ways: Non directly attributable costs are allocated using two steps: Step 1: Jemena Group level enterprise support function costs are allocated to the Pipelines group based on the specific causal drivers attributed to each separate type of Shared Cost, with a range of allocation drivers used as appropriate for each type of cost including surveys of headcount effort, surveys of digital application usage, emissions volumes, revenue and EBIT. Step 2: Shared costs are then allocated to each pipeline based on a management survey of the support effort consumed by each pipeline. **Allocator justification:** The allocators used to allocate shared enterprise support function costs are the most appropriate because the allocator is the best estimate of the benefits consumed by the respective Jemena Group assets. The costs allocated to each shared expense 'Description' category (e.g. 'Employee costs', 'information technology and communication costs' etc.) is an aggregate of many projects with varying cost allocation percentages from the different shared functions. The percentage allocated to a pipeline is calculated as: Amounts allocated to pipeline divided by the gross amount across the Jemena Group. The shared costs allocated to the pipeline is sourced from SAP using a combination of projects and cost elements. Numeric quantities of allocators are displayed in the reporting template.	None noted

3. Asset value - Depreciated Book Value Method (DBVM) (For Non-scheme pipeline only) An overview of the assets utilised in the pipeline operations based on DBVM.									
Table ID	**Table Name**	**BoP ID**	**Item Name**	**Estimated/Actual**	**Why Estimated**	**Source**	**Assumptions**	**Methodology**	**Additional Comments**
3.1.1	Pipeline assets (DBVM)	3.1.1PADBVM_D18:E80 3.1.1PADBVM_D106:E119	Pipeline assets, Shared supporting assets	Per source material	N/A	FAR	Refer to assumptions in table 3.5.1: Pipeline assets at cost and table 3.5.2: Shared assets at cost.	Per source material for non-input cells referencing 'Table 3.5.1: Pipeline assets at cost' and 'Table 3.5.2: Shared assets at cost'. No revaluation of pipeline assets The service provider confirms that the pipeline's assets are measured at historical cost in accordance with AASB 116 Property, Plant and Equipment, none of the pipeline's assets have been revalued since the acquisition date. The pipeline does not depreciate land but does depreciate easements that have a fixed term life. To align with the presentation of information required in Table 3.1.1, the opening cost base in the comparative column has been revised to reflect the opening accumulated depreciation. Current year depreciation has been included in the additions for the current reporting period. **For shared assets** Allocator: Shared assets are allocated to pipelines in the following way: Non directly attributable costs are allocated to pipelines based on the approved capex business case which outlines the case by case assessment of the specific SPSPAA Group business units that will benefit from the new asset. At the time of commissioning the new asset it is reassessed to confirm that the allocation to split the assets aligns with the expected benefits from the asset. **Allocation Justification:** The Business Case and commissioning benefit review is the most appropriate allocator because it best aligns with how the future economic benefits from the assets are expected to be realised. Numeric quantities of allocators are displayed in the reporting template.	None noted
3.1.1	Pipeline assets (DBVM)	3.1.1PADBVM_D97:E102	Other non-depreciable pipeline assets	Actual	N/A	SGSPAA Group Consolidation support schedule (Fair Value Adjustments and Goodwill) SAP	N/A	**Other non-depreciable pipeline assets - SGSPAA Group Consolidation support schedule** The amounts reported include goodwill which arose from the acquisition of the pipeline. As there is no specific Goodwill category, the pipeline has included $10,939,239 of goodwill in the 'Other non-depreciable pipeline assets' in the template. This category also includes other non-depreciable pipeline assets including receivables of $600,032,993, of which the intercompany receivables amount to $597,265,499 **Other non-depreciable pipeline assets – SAP TB** Amounts have been extracted from the pipeline's Trial Balances for the reporting period and include GL accounts such as accrued receivables, inventories, deferred tax assets and amounts due from related parties. SAP has functionality that records and identifies any transactions from related parties to the pipeline, known as trading partner. Related party loan accounts with each trading partner entity were aggregated, where the receivable amount was greater than the payable amount the net amount was reported in 'Other non-depreciable pipeline assets'. Where the payable amount was greater than the receivable amount, the balance was a net liability and therefore not included in 'Other non-depreciable pipeline assets' in the template. The pipeline has a legally-enforceable right to set off the recognised amounts and the pipeline intends either to settle on a net basis or realise the asset and settle the liability simultaneously. In accordance with accounting standards the pipeline has netted off deferred tax assets and liabilities in its Balance Sheet.	None noted
3.1.1		3.1.1PADBVM_D121:E123	Inventories, Deferred tax assets, Other assets	Actual	N/A	SAP	N/A	The pipeline's Inventories, deferred tax assets and other assets are not shared assets, they form part of Pipeline Assets and are reported on the row 'Other non-depreciable pipeline assets.	None noted
3.1.2		3.1.2ICOPADBVM_D132	Initial costs of pipeline assets (DBVM)	Actual	N/A	Published Accounts of SGSP (Australia) Assets Pty Ltd	N/A	The acquisition costs incurred were sourced from Group's published accounts. Where necessary, Group costs were allocated to individual pipelines based on a valuation report from the acquisition.	None noted

3.2 Asset value - Regulatory Asset Base (RAB) (For Scheme pipeline only)
An overview of the assets utilised in the pipeline operations based on RAB.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
3.2.1	Pipeline Assets (RAB)	3.2.1RAB	NA	NA	NA	NA	NA	NA	This table is only required for scheme pipelines. The pipeline is not a scheme pipeline.

3.3 Asset useful life

The asset useful life schedule, which provides the basis for calculating depreciation for different classes of assets and the reason for choosing this basis.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
3.3.1	Asset useful life	3.3.1AUL_D11:F39	Description (list each individual balance sheet item), Commission date (provide a range), Useful life years, Reason for choosing this useful life	Actual	NA	SAP	NA	**Description (list each individual balance sheet item)** The 'Description' column was referenced from the 'Description' column as listed in: -Table 3.3.1: Pipeline assets at cost -Table 3.3.2: Shared assets at cost Assets under construction (AUC) are assets that are still in the process of being constructed and not yet installed ready for use, therefore they are excluded from Table 3.1.1 The pipeline does not depreciate land but does depreciate easements that have a fixed term life. **Commission date (provide a range)** The assets in the FAMR sourced from SAP, have been aggregated into similar 'Description' items in Table 3.1.1. For each asset 'Description' category the date pipeline was commissioned and most recent asset commissioning dates were extracted for disclosure. **Useful life years** The useful life for each category was calculated based on the weighted average cost useful life formula below with the information sourced from FAMR. Weighted average cost useful life equals: (Opening Cost + Acquisitions+Retirements)/Total Description Cost Note that the Total Description Costs is the sum of Opening cost + Additions– Retirements. $*Asset\ useful\ life$ Asset class with an indefinite useful life has been excluded from the above calculation.	None noted
				Actual	NA		NA	**Reason for choosing this useful life** The pipeline defines the useful (economic) life of individual assets in accordance with Australian Accounting Standards and the period over which the pipeline expects to derive economic value from the asset. The estimation of the economic useful life of an asset is a matter of judgement based on the Jemena Group's experience with similar assets and consideration of the specific circumstances relevant to that asset. Additionally, economic useful life of an asset is considered in relation to the life assigned to similar assets within the asset category. Because an asset category contains a significant number of assets that have different useful lives, the useful lives reported in Table 3.3.1 reflect the weighted average of the standard asset lives of the assets included in the relevant asset category.	None noted

3.4 Asset impairment

A schedule of impairments made to pipeline assets and impairment reversals.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
3.4.1	Asset Impaired	3.4.1AI	Asset description, Impairment amount $ nominal, Impairment date, Basis for impairment	Actual	NA	SAP	NA	Reviewed the SAP general ledger to identify whether any impairment transactions have been recorded. No Impairment recorded for the current year.	None noted
3.4.2	Asset Impairment Reversals	3.4.1AIR	Asset description, Prior Impairment amount $ nominal, Impairment date, Basis for impairment, Reversal amount $nominal, Reversal date, Basis for Reversal	Actual	NA	SAP	NA	Reviewed the SAP general ledger to identify whether any reversal of impairment transactions have been recorded.	None noted

3.5 Depreciation amortisation

A depreciation schedule to show the depreciation calculation for pipeline assets,

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
3.5.1 3.5.2	Pipeline assets at cost - pipeline assets & Shared assets at cost (less straight-line depreciation)	3.5.1PAAC_C15:Q59 3.5.2SAAC_D66:P84	Description, Category, Acquisition date (provide a range), Useful life, Estimated residual value, Opening Cost Base , Current year additions, Current year capitalised Maintenance or improvements, Current year disposals or Early termination, Adjusted Cost Base, Prior years' accumulated depreciation Current year depreciation, Written Down Value	NA	NA	SAP FAMR and equipment listing report The SGSPAA Group Consolidation support schedule (Business Combination Adjustments and Goodwill)	NA	Downloaded the annual SAP FAMR which lists individual assets. Directly attributable costs are allocated to pipeline through a PM Order which is the lowest level cost collector. PM Order's settle or cascade up to a specific Capex project (WBS) in SAP. Capex WBS settle to the specifically identifiable assets in the SAP FAR. **Category** Each asset was mapped into the relevant categories provided in the AER template drop down list (e.g. Pipeline, Compressor, City Gates etc.) based on: analysis of the FAMR Asset description & Asset class;input from engineers and subject matter experts; and where relevant, analysis of a separate corresponding equipment listing report which contains more detailed information than the FAMR. **Description** The asset description was mapped to the categories in the template except for the following items which were not included in the AER's drop down list of categories: AUC Network, AUC-Intangibles, AUC Non-Network. AUC are assets that are still in the process of being constructed and not yet installed ready for use. Therefore depreciation expense was not yet applied. **Acquisition date (provide a range)** Refer to 'Commission date' explanation for Table 3.3.1 Asset useful life. **Useful life** Refer to 'Useful life' explanation for Table 3.3.1 Asset useful life.	None noted
								Estimated residual value The service provider has estimated there to be no residual value for all pipeline assets which is in accordance with its internal Property, Plant and Equipment policy and aligns with AASB 116 Property, Plant and Equipment which recognises that in practice, the residual value of an asset is often insignificant and therefore immaterial in the calculation of the depreciable amount (AASB 116(53)). Opening Cost Base, Current Year Additions and Current Years Disposals or Early Terminations, Prior years' accumulated depreciation Current year depreciation, Written Down Value The annual SAP FAMR report was generated with asset 'Category' detail overlayed (per 'Category' explanation above') which included separate columns for: -Opening Cost Base -Current Year Additions -Current Years Disposals or Early Terminations -Prior years' accumulated depreciation -Current year depreciation -Written Down Value The pipeline does not depreciate land but does depreciate easements that have a fixed term life. To align with the presentation of information required in Table 3.1.1, the opening cost base in the comparative column has been revised to reflect the opening accumulated depreciation. Current year depreciation has been included in the additions for the current reporting period. **Capitalised Maintenance** The pipeline does not have any capitalised maintenance. Maintenance costs such as day to day servicing including labour, consumables and spare parts are excluded from measurement of an item of PPE in accordance with the SGSPAA Group's PPE policy and AASB 116 (12). **Other depreciable pipeline assets - SGSPAA Group Consolidation support schedule** Contract intangibles and Capitalised interest sourced from the SGSPAA Group Consolidation support schedule have been reported within the 'Other depreciable pipeline assets' category.	None noted

3.6 Shared supporting assets
Provides the basis for allocating shared assets to the pipeline.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
3.6.1	Shared Supporting Asset Allocation	3.6.1SSAA__C15:G47	Description (list each individual shared asset category greater than 5%), Category of shared assets, Total amount, % allocated to pipeline, Total allocated to pipeline	Actual	NA	SAP – FAMR & project cost download for Shared Assets Capex at the pipeline's level.	None noted	**Description (list each individual shared asset category greater than 5%)** 'Shared asset' category description' in the FAMR were reported in Table 3. 5.2. Interpreted that shared asset category additions during the reporting period were to be disclosed when greater than 5% of Total Shared costs were allocated to the service provider's pipeline. Shared property, plant and equipment – Additions in Table 3.1.1 align to Table 3.6.1 additions. **Category of shared assets** The 'Category of shared assets' was reported as 'Other Shared' based on the nature of the asset additions and referenced to the drop down list of categories in Table 3.5.2. **Total amount** Costs are collected in projects (WBS elements) in SAP based on the activity, on which an employee works or an external supplier provides goods/services. For shared assets the capex costs are collected in a WBS element before allocating the shared asset costs to the relevant pipelines/distribution network assets. The pipeline aggregates the shared asset additions into the relevant asset classes as per the template. **% allocated to pipeline** The percentage allocated to the pipeline was calculated as: 'Total allocated to the pipeline' divided by the 'Total Amount' Where: -'Total allocated to the pipeline' is defined below; and -'Total Amount' is defined above. **Total allocated to pipeline** Shared Asset additions during the reporting period were aggregated by the 'Asset class description' field in the FAMR. Refer to Table ID 3.1.1 for the explanation of how shared assets were allocated to the pipeline.	None noted

4. Asset value - Recovered Capital Method (RCM)
The asset valuation statement arising from the application of the Recovered Capital Method.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
4.1	Pipeline assets (RCM)	4.1PARCM_F14:BH14	Pipeline assets: Construction cost (1989-1991)	Actual	N/A	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F15:BH15	Pipeline assets: Residual value (1989-2023)	Estimate	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F15:BH15	Pipeline assets: Residual value (2024)	Estimate	Cost have not yet been incurred to decommission the pipeline, therefore an estimate is inherently required to measure future costs. Further the actual timing of decommissioning the pipeline is also uncertain therefore increasing the level of estimation required. Further, the CPI escalation factor and the discount rate inputs are estimates used to inflate for forecast future price increases and then discount to the present value respectively.	Expert Engineering Report Inflation rate: SGSPAA internal 2024 budgeted CPI Discount rate: 5 year average rate for 15 year Australian Government Securities (AGS) bonds	Negative residual value is interpreted as the present value of the forecast decommissioning cost that QGP will pay when the pipeline is removed from service in the future. The expert engineering report is a reasonable basis for estimating the cost to decommission the pipeline. The 5 year average of the 15 year AGS bonds are appropriate to estimate rate of return for present value calculation purposes.	Negative residual value is calculated as: $PV(Decommissioning)_t = C_{T_E} \times \frac{(1+i)^{T_D-T_E}}{(1+r)^{T_D-t}}$ Where: -C_(T_E) is the estimated cost of decommissioning in dollars as at time T_E -T_D is the expected year of decommissioning -i is the estimated inflation rate -r is the estimated discount rate -t is the year of the estimate An expert Engineering report is the basis for estimating the decommissioning cost (C_(T_E)). Phasing of Negative Residual value The year 1 value of the decommissioning cost was reported in year 1. From 2021 onwards, each year's increment negative residual value is calculated as the movement in total negative residual value between that year and the prior year	The estimate is a best estimate because it has been calculated based on the following inputs which are sourced based on best available information: Independent technical engineering estimate of the cost to decommission the pipeline. Discount rate: 5 year average for the 15 year Australian Government Securities (AGS) bond rate. CPI escalation: SGSPAA internal CPI estimate (reasonable when compared with Australian Bureau of Statistics (ABS) rate). The pipeline's decommissioning provision reflects a bottom-up cost estimate of various remediation activities. Consistent with AS2885, the service provider used a risk-based approach to determine a mix of appropriate remediation activities for different equipment/facility types and locations, taking into account factors including expected future land use. Remediation activities include the removal of all above-ground facilities, various remediation treatments for underground pipeline (for example, grouting in higher risk locations such as road/rail/river crossings, and leaving the pipeline in place with controls in lower risk locations) and ground cover remediation/revegetation of easements as appropriate for the surrounding land.
4.1	Pipeline assets (RCM)	4.1PARCM_F16:BH16	Pipeline assets: Additions (1989-2023)	Actual	N/A	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	N/A
4.1	Pipeline assets (RCM)	4.1PARCM_F16:BH16	Pipeline assets: Additions (2024)	Actual	N/A	SAP Trial Balances and FAMR Jemena Queensland Gas Pipeline (1) Pty Ltd and Jemena Queensland Gas Pipeline (2) Pty Ltd	Additions per the FAMR were cash related. All additions are incurred mid-year.	QGP uses SAP to capture costs associated with capital expenditure. A FAMR was downloaded from SAP for each year to identify additions during that year. A check was performed to reconcile FAMR movements with the net change in fixed asset general ledger accounts. **<u>Mid-point Net Capital Expenditure Gross Up</u>** Capex additions and disposals for each year are escalated to a mid-year point to account for the return on capital for capital expenditure incurred during the year. $Mid\ Point\ Gross\ Capex = Capex \times (1 + RoR\ percentage)^{0.5}$ The Rate of Return (RoR) percentage input calculation methodology is further below in this table	N/A

4.1	Pipeline assets (RCM)	4.1PARCM_F17:BH17	Pipeline assets: Maintenance capitalised (1989-2023)	Estimate (1989-2004) and Actual (2005-2023)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F17:BH17	Pipeline assets: Maintenance capitalised (2024)	Actual	N/A	SAP Trial Balances and FAMR Jemena Queensland Gas Pipeline (1) Pty Ltd and Jemena Queensland Gas Pipeline (2) Pty Ltd	N/A	No data for capitalised maintenance was noted in the review of the FAMR and the relevant SAP Trial Balances. : Maintenance capitalised	N/A
4.1	Pipeline assets (RCM)	4.1PARCM_F18:BH18	Pipeline assets: Disposal at cost (1989-2023)	Estimate (1989-2004) and Actual (2005-2023)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F18:BH18	Pipeline assets: Disposal at cost (2024)	Actual	N/A	SAP Trial Balances and FAMR Jemena Queensland Gas Pipelines (1) Pty Ltd Jemena Queensland Gas Pipelines (2) Pty Ltd	All disposals are incurred mid-year. Assumed proceeds from sales includes 10% GST on taxable supply applied to the sales amount. Disposal (as cost) has been interpreted to mean cash proceeds from the sales of property, plant and equipment which is the equivalent to the cost paid by the 3rd party which acquired the asset.	Extracted the following item from the FAR: Proceeds from sales of property, plant and equipment. Where there is an amount for Proceeds on sales of property, plant and equipment, GST has been removed by multiplying the proceeds by 10/11. Mid-point Net Capital Expenditure Gross Up Refer to Construction Cost - Mid-point Net Capital Expenditure Gross Up explanation.	N/A
4.1	Pipeline assets (RCM)	4.1PARCM_F24:BH24	Shared assets: Additions (1989-2023)	Actual	N/A	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F24:BH24	Shared assets: Additions (2024)	Actual	N/A	SAP Trial Balances and FAMR Jemena Queensland Gas Pipeline (1) Pty Ltd and Jemena Queensland Gas Pipeline (2) Pty Ltd	N/A	Assets were aggregated by year based on the year within the Capitalisation date (date field). Shared assets were identified based on: analysis of the FAMR Asset description & Asset class; input from engineers and subject matter experts; and where relevant, analysis of a separate corresponding equipment listing report which contains more detailed information than the FAMR. Shared asset additions were aggregated by year based on the year within the field Capitalisation date.	N/A

4.1	Pipeline assets (RCM)	4.1PARCM_F22:BH23 , 4.1PARCM_F25:BH26	Shared assets: Construction cost or acquisition cost (where allowed) apportioned, Residual value, Maintenance capitalised, Disposal (at cost) (1989-2023)	Estimate (1989-2004) and Actual (2005-2023)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F22:BH23 , 4.1PARCM_F25:BH26	Shared assets: Construction cost or acquisition cost (where allowed) apportioned, Residual value, Maintenance capitalised, Disposal (at cost) (2024)	Actual	N/A	SAP Trial Balances and FAMR Jemena Queensland Gas Pipeline (1) Pty Ltd and Jemena Queensland Gas Pipeline (2) Pty Ltd	N/A	No data for the following items were noted in the review of the SAP FAMR and the relevant SAP Trial Balances: Construction cost or acquisition cost (where allowed) apportioned, Maintenance capitalised Disposal (at cost)	N/A
4.1	Pipeline assets (RCM)	4.1PARCM_F31:BH31	Return of capital: Revenue (1989-2023)	Estimate (1996-2004) and Actual (1990-1995, 2005-2023)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F31:BH31	Return of capital: Revenue (2024)	Actual	N/A	SAP Trial Balances of: Jemena Queensland Gas Pipelines (1) Pty Ltd. and Jemena Queensland Gas Pipelines (2) Pty Ltd	The only revenue of the entity was pipeline revenue.	QGP uses its SAP system to capture revenue transactions. A calendar year trial balance was generated from the SAP system and the revenue general ledger accounts were aggregated.	N/A
4.1	Pipeline assets (RCM)	4.1PARCM_F32:BH32	Return of capital: Operating expenses (1989-2023)	Estimate (1996-2004) and Actual (1990-1995, 2005-2023)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F32:BH32	Return of capital: Operating expenses (2024)	Actual	N/A	SAP Trial Balances of: Jemena Queensland Gas Pipelines (1) Pty Ltd. and Jemena Queensland Gas Pipelines (2) Pty Ltd	No material non-cash items are included in the operating expenditure general ledger accounts reported. Depreciation is the key non-cash item which has been removed.	Extracted and summed the dollar amounts of operating expenditure general ledger accounts from each calendar year's trial balance excluding: Interest Depreciation, and Tax Expense.	N/A

4.1	Pipeline assets (RCM)	4.1PARCM_F33:BH33	Return of capital: Net tax liabilities (1989-2023)	Estimate	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F33:BH33	Return of capital: Net tax liabilities (2024)	Estimate	QGP is part of a consolidated tax group and does not pay corporate tax as a stand-alone entity. Therefore the net tax liability needs to be estimated.	SAP Trial Balances of : Jemena Queensland Gas Pipeline (1) Pty Ltd, and Jemena Queensland Gas Pipeline (2) Pty Ltd Gamma (imputation credits) have been sourced from the AER's 2022 Rate of Return Instrument.	'Net tax liability' is interpreted as the notional cash tax payable that would be payable if the pipeline was a stand-alone entity less the estimated imputation credits received by the stand-alone entity. When estimating each year's tax depreciation, current year net capex was assumed to be incurred mid-year and therefore only a half year of depreciation was incurred.	The pipeline is part of a consolidated tax group and does not pay corporate tax as a stand-alone entity. Therefore the net tax liability needs to be estimated. The accounting profit and loss has been reviewed to identify material non-cash items that may require adjustment for when estimating the net tax liability cash flow. Net tax liability is calculated as: (Profit/(loss) before interest, tax, depreciation and amortisation Less Estimated tax depreciation Less Estimated interest expense) multiplied by the tax rate (i.e. 30%). Multiplied by (1-Gamma) to consider the tax benefit of the imputation credits. Tax Depreciation sourced from the SAP Fixed Asset Tax Register. Interest expense sourced from SGSP (Australia) Assets Pty Ltd ("SGSPAA") Annual Report segment note calculated as: SGSPAA interest expense multiplied by Pipeline total assets divided by SGSPAA Total Assets. Gamma (imputation credits) have been sources from the AER's RoR instrument for 2022. (57%)	EBITA is the best approach for calculating the cash flows each year and therefore is the most appropriate input into the net tax liability calculation. EBITA has been sourced from actual historic records and therefore has been arrived at on a reasonable basis. The first year of post-acquisition tax depreciation is the most appropriate basis to estimate pre-acquisition tax depreciation because it is based on an actual data source.
4.1	Pipeline assets (RCM)	4.1PARCM_F35:BH35	Return of capital: Return on capital (1989-2023)	Estimate	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	4.1PARCM_F35:BH35	Return of capital: Return on capital (2024)	Estimate	Dependent on rate of return estimates.	Rate of return sources are explained in Item'Return of capital: Return on capital (Rate of return)' (2024) in this table below.	N/A	Return on capital for a given year is estimated as the opening asset value for that year multiplied by the rate of return percentage for that year. The rate of return is explained in Item 'Return of capital: Return on capital (Rate of return)' (2024) in this table below.	N/A
4.1	Pipeline assets (RCM)	4.1PARCM_F39:BH39	Return of capital: Return on capital (Rate of return) (1989-2023)	Estimate	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)

4.1	Pipeline assets (RCM)	4.1PARCM_F39:BH39	Return of capital: Return on capital (Rate of return) (2024)	Estimate	Consistent with the AER's Pipeline Information Disclosure Guideline requirements	The rate of return is estimated consistent with the requirements of the AER's Pipeline Information Disclosure Guidelines and with reference to the following source inputs: Gearing: SGSPAA Financial Report Balance Sheet and Treasury Report. Cost of debt: SGSPAA Financial Report and Treasury Report. Risk-free rate: RBA Treasury Bonds – Daily – F16 Indicative mid rates of selected Australian Government Securities Equity beta: Estimated from a sample of listed international comparators from OECD countries (0.89) Market Risk Premium (MRP): AER's RoR instrument for 2022 (6.2%)	Gearing The proportion of debt funding to capital is referred to as 'gearing'. The pipeline applies a percentage reflecting SGSPAA's actual portfolio gearing of the reporting period, consistent with the AER's Pipeline Information Disclosure Guideline. Gamma (Imputation credits) 57% as determined in the AER's 2022 RoR instrument. Cost of debt (pre-tax) Calculated as the SGSPAA actual portfolio cost of debt for the reporting period, consistent with the AER's Pipeline Information Disclosure Guideline. Cost of equity (post-tax) The pipeline adopts the methodology consistent with $r_e = r_f + \beta_e(r_m - r_f)$ e AER's Pipeline Information Disclosure Guidelines.	Weighted Average Cost of Capital (WACC) The pipeline estimates the rate of return as the nominal vanilla WACC. This approach estimates the rate of return as the weighted average of opportunity costs assessed across two sources of capital funding: debt and equity. $$WACC^{vanilla} = gearing \times r_d + (1 - gearing) \times r_e$$ Where r_d is the cost of debt, and r_e is the cost of equity. Gearing The proportion of debt funding 'gearing' has been sourced consistent with the requirements of the AER's Pipeline Information Disclosure Guidelines using current financial information used in statutory, management and budgeting reporting. Cost of debt Cost of debt is calculated by dividing SGSPAA interest expense by SGSPAA Debt. Cost of equity. The cost of is estimated using the Sharpe-Lintner capital asset pricing model (S-L CAPM). $$r_e = r_f + \beta_e(r_m - r_f)$$ where: r_e is the cost of equity; r_f is the risk free rate; $r_m - r_f$ is the Market Risk Premium (**MRP**); and β_e is the equity beta.	Using a WACC as an estimate for rate of return is an accepted methodology adopted by the Australian Energy Regulatory (AER) and therefore represents the best estimate possible for this reporting. The data inputs into the WACC have been sourced from published AER accepted sources aligning to Part 10 Pipeline information disclosure guidelines.
								Equity beta: Estimated from a sample of listed international comparators from OECD countries with the following criteria: be in all three of: (1) Bloomberg Industry Classification (BICs): Gas Distribution or Midstream Oil and Gas (2) MSCI and S&P Dow Jones Indices Global Industry Classification (GICs): Gas Utilities or Oil and Gas transport (3) FTSE Russell Industry Classification Benchmark (ICB): Gas distribution or Pipeline –have an investment grade credit rating from S&P, Moody's or Fitch –with liquidity (bid-ask-spread) of less than 0.5% –has gearing greater than 0% Risk-free rate: Estimated shortly prior to the commencement of the year for which the rate of return is being set. This is estimated by reference to 10-year RBA Treasury Bonds for a 10-day period from 20 October 2023 to 2 November 2023	
4.1	Pipeline assets (RCM)	4.1PARCM_F39:BH39	For information: Rate of return (WACC) (1989-2024)	Estimate	Impact of Rate of return components.	Items 'Return of capital: Return on capital'(2024) in this table above.	N/A	**Rate of return (WACC).** = Return on capital in row 35 of the template / Opening asset value in row 38 of the template Where the opening or closing asset value (excluding negative residual value) is zero, we report N/A	Refer to the QGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets)
4.1	Pipeline assets (RCM)	N/A	Additional comments	N/A	N/A	N/A	N/A	N/A	The depreciated book value method and recovered capital method are fundamentally different methodologies and should generally be expected to result in different asset values. The depreciated book value method reflects depreciation applied in accordance with applicable accounting standards and a standard asset life, whereas the recovered capital method determines return of capital (depreciation) by considering the revenue generated and costs associated including operating expenses, net tax liabilities, and return on capital. As described above, under the RCM, pipeline asset additions are subject to a mid-point net capital expenditure gross up, while this adjustment is not made to additions reported under the DBVM. Additionally, the RCM considers the construction costs as incurred, whereas the DBVM may also consider other costs associated with the purchase of the pipeline.

4.1 Pipeline capital expenditure

Capital expenditure greater than 5% of construction cost, historical expansions/extensions and any planned expansions/extensions that have advanced to "Final Investment Decision" stage.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
4.1.1	Capital expenditure greater than 5% of construction cost	4.1.1CEGTOCC_D15:E41	Description of works, Date recognised, Expenditure ($ nominal)	Actual	NA	SAP	Capital expenditure recorded represents the initial construction cost of the pipeline.	The service provider analysed the underpinning data for the RCM template and with a view to identifying any projects where capex was greater than 5% of the construction cost across the years. **Actual** The service provider extracted Description of works, Date recognised and Expenditure ($ nominal) from the SAP FAMR, SAP WBS elements cost download.	None noted
4.1.2	Historical expansions and extensions	4.1.2HEAE_C47:E73	Description of works, Date recognised, Expenditure ($ nominal)	Actual	NA	SAP FAMR	NA	The service provider analysed the underpinning data for the RCM template to identify any projects where there was capital expenditure incurred for historical expansions and extensions. Reviewed the SAP FAMR and identified high value assets additions. Reviewed the high value asset additions and extracted the following data: Asset description, date capitalised and asset cost base. Reviewed the high value assets items with SME to confirm that the data extracted from the SAP FAMR aligned with SME knowledge of historic expansions and extensions. To ascertain the technical details of the expansion and extension projects of the QGP, the service provider referred to information including its fixed asset register, relevant design basis documents, asset management plans that are in the service provider's possession, as well as internal business SMEs. The Fairview Lateral extension was a pipeline lateral between Fairview Meter Station and Ridgelands. It was commissioned in 1998 and has a nameplate capacity of 110 TJ/d. Direct capital expenditure associated with this project is set out in the reporting template. Incremental operating expenditure in relation to this project is not able to be identified, as the service provider was not required to record information in such a manner when this project was undertaken. Assets constructed and installed as part of this project may be used to provide a range of pipeline services, and costs are allocated consistent with the allocation methodology set out in relation to template 2.2. The asset lives of the pipeline assets constructed and installed as part of this project are consistent with the standard asset lives reflected in table 3.3.1.	None noted

					NA		NA	The first expansion of the QGP took place between 2008 and 2010 and commissioned in 2010. It included 113km of pipeline looping between Oombabeer Scraper Station to Callide Station and the installation of two compressor stations at Bannana and Rolleston. This expansion project increased the QGP nameplate capacity from 80TJ/d to 135TJ/d. Direct capital expenditure associated with this project is set out in the reporting template. Incremental operating expenditure in relation to this project is not able to be identified, as the service provider was not required to record information in such a manner when this project was undertaken. Assets constructed and installed as part of this project may be used to provide a range of pipeline services, and costs are allocated consistent with the allocation methodology set out in relation to template 2.2.1 The asset lives of the pipeline assets constructed and installed as part of this project are consistent with the standard asset lives reflected in table 3.3.1. The second expansion of the QGP took place between 2013-2015 and was commissioned in 2015. The expansion involved pipeline looping between the Arcadia Valley Mainline Valve (MLV4) to the Rolleston Compressor Station. This expansion increased the QGP nameplate capacity from 135TJ/d to 145/d. Direct capital expenditure associated with this project is set out in the reporting template. Incremental operating expenditure in relation to this project is not able to be identified, as the service provider was not required to record information in such a manner when this project was undertaken. Assets constructed and installed as part of this project may be used to provide a range of pipeline services, and costs are allocated consistent with the allocation methodology set out in relation to template 2.2.1.Incremental operating expenditure in relation to this project is not able to be identified, as the service provider was not required to record information in such a manner when this project was undertaken. Assets constructed and installed as part of this project may be used to provide a range of pipeline services, and costs are allocated consistent with the allocation methodology set out in relation to template 2.2.1. The asset lives of the pipeline assets constructed and installed as part of this project are consistent with the standard asset lives reflected in table 3.3.1.	None noted
4.1.3	Planned expansions and extensions of capacity	4.1.3.PEAEOC	Description of the matter Proposed commissioning date, or a range of dates Expected end date, or a range of dates Facility's proposed nameplate rating, or the estimated likely range during affected period Proposed expenditure (if available, required for publicly announced expansions)	Actual	N/A		NA	Planned expansions and includes only those projects for which a Financial Investment Decision (FID) has been taken by the end of the current reporting period. Detail for new projects (description, proposed commissioning dates, proposed nameplate rating, proposed expenditure etc.) was provided by relevant SMEs. The pipeline had no planned expansions and/or extensions as at the end of the current reporting period which had passed Financial Investment Decision (FID).	None noted

5. Historical demand
Information on the amount of capacity that was contracted in each financial year and the amount of capacity that was actually used in each financial year.

Table ID	Table Name	BoP ID	Item Name	Estimated/Actual	Why Estimated	Source	Assumptions	Methodology	Additional Comments
5.1	Historical Demand Information	NA	Historical demand information	NA	NA	NA	NA	NA	NA
5.2	Demand by pipeline service	N/A	Contracted MDQ: TJ/day	Actual	NA	PypIT	NA	A daily Contracted MDQ report by PID service category (e.g. Firm forward) was downloaded from PypIT for each day in the reporting period. Values shown are the average of contracted MDQ for each day in the reporting period. Note that only service types which constitute 'contracted capacity' as defined in Part 25 of the National Gas Rules are considered within the calculation of contracted MDQ. The average service category Contracted MDQ equals sum of each service categories contracted volumes for each day the reporting period divided by the number of days in the reporting period.	None noted
5.3	Daily demand	N/A	Contracted firm capacity-transportation Contracted firm capacity-storage Utilised capacity Pipeline nameplate capacity	Actual	NA	PypIT	NA	Daily demand information has been extracted from PypIT. Separate daily Contracted MDQ reports by service category (e.g. Firm forward) were downloaded from PypIT for each day in the reporting period. The reports utilised a PypIT field attached to each service which flags whether a service constitutes 'contracted capacity' (as defined in Part 25 of the National Gas Rules). **Contracted firm capacity – transportation** The contracted firm capacity (transportation) per day was calculated as the sum of daily contracted MDQ of each contracted firm active transportation service. **Contracted firm capacity – storage** The pipeline does not provide any storage services which constitute 'contracted capacity' **Utilised capacity** A PypIT daily reconciliation report was downloaded from PypIT. The daily utilised capacity is calculated as the sum of deliveries for the day plus, net volumes of gas held within park and park and loan services. **Pipeline nameplate capacity** The pipeline nameplate capacity is sourced from the engineering reports. Where a pipeline has more than one nameplate rating, the sum of each nameplate rating is displayed in the template.	None noted

6. Pricing template Provide a process or mechanism by which users and prospective users can transform the financial and historical demand information published by service providers into one or more cost-based pricing benchmarks.									
Table ID	**Table Name**	**BoP ID**	**Item Name**	**Estimated/Actual**	**Why Estimated**	**Source**	**Assumptions**	**Methodology**	**Additional Comments**
6.1	Inputs	N/A	Asset allocation to pipeline service %	Estimate	Assets are not allocated a pipeline service	Table 2.2.1 Direct revenue line items		Asset allocation to pipeline service Allocator: Ratio of the Direct revenue line item and Total Direct Revenue(excluding customer contributions) Refer to BoP for Table 2.2.2 for Direct Expenses Service allocation percentage details. Allocator justification: The allocator is the most appropriate because there is no direct link between the assets and any individual category of service. Hence allocation on the basis of revenue is most appropriate.	
6.1	AER Input	N/A	AER inputs: Average regulatory return on debt	Actual	N/A	The Average regulatory return on debt is calculated with reference to the following source inputs: SGSPAA Financial Report interest expenses and interest bearing liabilities.	Calculated as the SGSPAA actual portfolio cost of debt for the reporting period.	Average regulatory return on debt is calculated by dividing SGSPAA interest expense by SGSPAA Debt for the year ended 31 December 2024.	N/A
6.1	AER Input	N/A	AER inputs: Gearing	Actual	N/A	Gearing: SGSPAA Financial Report Balance Sheet as at 31 December 2024.	The proportion of debt funding to capital is referred to as 'gearing'. A percentage reflecting SGSPAA's actual gearing of the reporting period is applied.	The proportion of debt funding 'gearing' has been sourced based on guidance from Part 10 guidance using current financial information used in statutory, management and budgeting reporting.	N/A
6.1	AER Input	N/A	AER inputs: Statutory tax rate	Actual	N/A	Statutory tax rate has been sourced from the ATO.	N/A	Statutory tax rate has been sourced from the ATO. (30%)	N/A
6.1	AER Input	N/A	AER inputs: Gamma	Actual	N/A	Gamma (imputation credits) have been sourced from the AER's 2022 Rate of Return Instrument.	N/A	Gamma (imputation credits) have been sourced from the AER's RoR instrument for 2022. (57%)	N/A

6.1	AER Input	N/A	AER inputs: Average regulatory rate of return	Estimate	Using a WACC as an estimate for rate of return is an accepted methodology adopted by the Australian Energy Regulatory (AER) and therefore represents the best estimate possible for this reporting.	The rate of return is estimated with reference to the following source inputs: Gearing: Gearing: SGSPAA Financial Report Balance Sheet as at 31 December 2024. Cost of debt: Cost of debt: SGSPAA Financial Report interest expenses and interest bearing liabilities as at 31 December 2024. Risk-free rate: RBA Treasury Bonds – Daily – F16 Indicative mid rates of selected Australian Government Securities Equity beta: Estimated from a sample of listed international comparators from OECD countries (0.89) Market Risk Premium (MRP): AER's RoR instrument for 2022 (6.2%)	Gearing The proportion of debt funding to capital is referred to as 'gearing'. QGP applies a percentage reflecting SGSPAA's actual gearing of the reporting year. Gamma (Imputation credits) 57% as determined in the AER's 2022 RoR instrument. Cost of debt Calculated as the SGSPAA actual portfolio cost of debt for the reporting year. Cost of equity $r_e = r_f + \beta_e(r_m - r_f)$ QGP adopts the methodology provided by the AER's 2022 RoR instrument.	**Weighted Average Cost of Capital (WACC)** QGP estimates the rate of return as the nominal vanilla WACC. This approach estimates the rate of return as the weighted average of opportunity costs assessed across two sources of capital funding: debt and equity. $WACC^{vanilla} = gearing \times r_d + (1 - gearing) \times r_e$ Where r_d is the cost of debt, and r_e is the cost of equity. Gearing The proportion of debt funding 'gearing' has been sourced based on guidance from Part 10 guidance using current financial information used in statutory, management and budgeting reporting. Cost of debt Cost of debt is calculated by dividing SGSPAA interest expense by SGSPAA Debt at 31 December 2024. Cost of equity. The cost of equity for each year since the construction of the QGP is estimated using the Sharpe-Lintner capital asset pricing model (S-L CAPM). $r_e = r_f + \beta_e(r_m - r_f)$ where: r_e is the cost of equity; r_f is the risk free rate; $r_m - r_f$ is the Market Risk Premium (**MRP**); and β_e is the equity beta.	Using a WACC as an estimate for rate of return is an accepted methodology adopted by the Australian Energy Regulatory (AER) and therefore represents the best estimate possible for this reporting. The data inputs into the WACC have been sourced from published AER accepted sources aligning to Part 10 Pipeline information disclosure guidelines and Price reporting guidelines and therefore is a best estimate which has been arrived at on a reasonable basis.
								Equity beta: Estimated from a sample of listed international comparators from OECD countries with the following criteria: be in all three of: (1) Bloomberg Industry Classification (BICs): Gas Distribution or Midstream Oil and Gas (2) MSCI and S&P Dow Jones Indices Global Industry Classification (GICs): Gas Utilities or Oil and Gas transport (3) FTSE Russell Industry Classification Benchmark (ICB): Gas distribution or Pipeline have an investment grade credit rating from S&P, Moody's or Fitch with liquidity (bid-ask-spread) of less than 0.5% has gearing greater than 0% **Risk-free rate:** Estimated shortly prior to the commencement of the year for which the rate of return is being set. This is estimated by reference to 10-year RBA Treasury Bonds for a 10-day period from 20 October 2023 to 2 November 2023.	

Independent Limited Assurance Report to the Directors of the entities which comprise the Queensland Gas Pipeline Service Provider

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that management's statement that the Queensland Gas Pipeline Service Provider has prepared the financial information set out in the Part 10 Financial Reporting Templates for the year ended 31 December 2024, in accordance with the Cost Allocation principles and methods within the QGP Cost Allocation Methodology (management's statement) is not, in all material respects, fairly presented as evaluated against the QGP Cost Allocation Methodology for the year ended 31 December 2024.

The Queensland Gas Pipeline Service Provider (Service Provider) comprises the entities listed in Appendix 1

Information Subject to Assurance

The Queensland Gas Pipeline Service Provider engaged KPMG to perform a limited assurance engagement in relation to Management's Statement that the financial information set out in the Part 10 Financial Reporting Templates for the year ended 31 December 2024 is prepared in accordance with the Cost allocation principles and methods within the QGP Cost Allocation Methodology (information subject to assurance).

Criteria Used as the Basis of Reporting

We assessed the information subject to assurance against the Criteria. The information subject to assurance needs to be read and understood together with the Criteria, being the cost allocation principles and policies within the QGP Cost allocation methodology (criteria) set out in appendix 2.

Basis for Conclusion

We conducted our work in accordance with Australian Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* (ASAE 3000). We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

In accordance with ASAE 3000 we have:

- used our professional judgement to plan and perform the engagement to obtain limited assurance that we are not aware of any material misstatements in the information subject to assurance, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and
- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

Summary of Procedures Performed

Our limited assurance conclusion is based on the evidence obtained from performing the following procedures:

- enquiries with relevant Service Provider personnel to understand the internal controls, governance structure and reporting process in relation to Management's Statement;
- reviews of relevant documentation including the cost allocation methodology prepared by the Service Provider;
- walkthroughs of the cost allocation process undertaken in accordance with the cost allocation methodology;
- evaluating the appropriateness of the criteria with respect to Management's Statement; and
- Testing a sample of expenses incurred by the SGSP Assets (Australia) Pty Ltd Group to check that items have been correctly included or excluded from the Service Provider's records.

Inherent Limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, error or material misstatement in the information subject to assurance may occur and not be detected. Non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating, and estimating such data. The precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance conclusion.

Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the Directors of the entities which comprise the Service Provider or the AER who will receive a copy of our report.

Use of this Assurance Report

This report has been prepared solely for the Directors of the entities which comprise the Service Provider and the AER who will receive a copy of our report for the purpose of assisting the Directors in meeting their reporting obligations under section 6.3.2 of the Pipeline Information Disclosure Guidelines and Price Reporting Guidelines for Part 18A Facilities and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this

report, to any person other than the Directors of the entities which comprise the Service Provider and the AER, or for any other purpose than that for which it was prepared.

Management's Responsibility

Management are responsible for:

- determining that the criteria is appropriate to meet their needs, the needs of the Directors of the entities which comprise the service provider and the needs of the AER;
- preparing and presenting the information subject to assurance in accordance with the criteria; and
- establishing and maintaining systems, processes and internal controls that enable the preparation and presentation of the information subject to assurance that is free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to perform a limited assurance engagement in relation to the information subject to assurance for the year ended 31 December 2024, and to issue an assurance report that includes our conclusion based on the procedures we have performed and evidence we have obtained.

Our Independence and Quality Management

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional and Ethical Standards Board, and complied with the applicable requirements of Auditing Standard on Quality Management 1 to design, implement and operate a system of quality management.

KPMG

G.

KPMG

Glenn Austin

Partner

Melbourne

27 June 2025

Appendix 1: List of entities which comprise the Queensland Gas Pipeline Service Provider

- Jemena Queensland Gas Pipeline (1) Pty Ltd
- Jemena Queensland Gas Pipeline (2) Pty Ltd

Queensland Gas Pipeline

QGP Cost Allocation Methodology

Public

This information was last updated on 27/6/2025,is current as of that date and replaces all previous versions.

27 June 2025

Jemena

An appropriate citation for this paper is:

QGP Cost Allocation Methodology

Authorisation

Name	Job Title	Date	Signature
Approved by:			
Nurcan Hasan	General Manager, Business Performance	27 June 2025	

History

Rev No	Date	Description of changes	Author
1.0	27 June 2025	Initial version	Anthony Walker

Owning Functional Area

Business Function Owner:	Commercial Finance Energy Markets

Review Details

Review Period:	Revision Date/Last Review Date + 2 years
Next Review Due:	27 June, 2027

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ABBREVIATIONS

AER	Australian Energy Regulator
AEMO	Australian Energy Market Operator
CAM	Cost Allocation Methodology
CATS	Cross Application Timesheets
CFO	Chief Financial Officer
ERP	Enterprise Resource Planning
NGR	National Gas Rules
NGL	National Gas Law
QGP	Queensland Gas Pipeline
WBS	Work Breakdown Structure

OVERVIEW

The Queensland Gas Pipeline (**QGP**) is a 627km natural gas pipeline delivering gas from the Wallumbilla gas hub in south central Queensland to large industrial gas users in Gladstone and Rockhampton. Gas enters the pipeline at Wallumbilla and at various receipt points located near gas fields along the pipeline route.

The QGP is jointly owned by Jemena Queensland Gas Pipeline (1) Pty Ltd and Jemena Queensland Gas Pipeline (2) Pty Ltd (collectively referred to as **QGP service provider**), who are subsidiaries of SGSPAA. See Appendix A for a chart of the SGSPAA group structure (**Jemena group**).

The QGP is a non-scheme pipeline.

This cost allocation methodology (**CAM**) has been prepared pursuant to the requirement of Rule 101D(1)(b) of the National Gas Rules (**NGR**) in respect of the financial year ending 31 December 2024 for the QGP.

1. NATURE, SCOPE AND PURPOSE

The purpose of this CAM is to establish a method of attributing or allocating costs to services provided by the QGP. The cost allocation principles, policies and approach are to be consistent with:

- the cost allocation principles set out in Rule 103(4) of the NGR which require that costs directly attributable to a pipeline be allocated to the pipeline; and costs which are not directly attributable to the pipeline but are incurred in providing services by means of the pipeline must be allocated to the pipeline using an appropriate allocator.
- the ring-fencing provisions set out in Chapter 4 Part 2 of the NGL. In particular, Jemena maintains a number of internal controls to ensure that the costs of related businesses undertaken by associates are not allocated to service providers. Additionally, section 141 of the NGL requires a service provider to prepare and maintain separate accounts in respect of pipeline services provided by means of every pipeline owned by the service provider, as well as a consolidated set of accounts in respect of the whole of the business of the service provider.

2. PIPELINE SERVICES

QGP service provider provides pipeline services by means of the QGP, which include haulage transportation and park and lend services as standard service offerings. These services are explained below:

1. **Firm forward haul transportation service**: transportation service where the transportation of gas is guaranteed along a specified route and timeframe at an agreed volume and tariff. The transportation for a firm service is secured and not subject to changes or cancellations, providing a certain level of reliability. The "forward haul" aspect specifically refers to the part of the journey where goods are moved from the origin point to the destination. This service is commonly used on the QGP to ensure timely and predictable delivery of gas.

2. **Backhaul service**: the transportation of gas in the opposite direction of the primary or forward haul. A backhaul service involves moving gas from a secondary delivery point back toward the source or a different destination. On the QGP a backhaul service allows for efficient use of pipeline infrastructure by enabling gas to be contracted in both directions.

3. **Interruptible or as available transportation service**: Service where transportation capacity is provided on a non-guaranteed, flexible basis. Unlike firm services, which are guaranteed and cannot be interrupted, an interruptible or as-available service is subject to fluctuations in availability. If there is excess capacity in the system the service can be utilized. However, if the pipeline reaches full capacity or there is a higher priority demand (such as firm commitments), the interruptible service may be unavailable. This service provides less certainty for the customer. It's ideal for shippers who have flexible delivery schedules or who are willing to take the risk of interruptions in exchange for flexibility in the way of only paying for the volumes which are required on a given day.

4. **Park service**: offering that allows shippers to temporarily park or store gas on the QGP for a defined period. This service provides flexibility in managing gas supply and demand by enabling customers to adjust for timing mismatches between gas receipts and deliveries.

5. **Other services**:

   Day Ahead Auction (DAA): provides shippers with the opportunity to acquire transportation capacity on a day-ahead basis through a competitive bidding process facilitated by AEMO.

From time-to-time, QGP service provider may also provide services that are not pipeline services.

3. COST ALLOCATION PRINCIPLES AND POLICIES

3.1 OVERVIEW OF APPROACH

QGP service provider provides various pipeline services to its customers. Pipeline services are defined in the National Gas Law to mean services which are provided by means of a pipeline. Generally, the costs of building, maintaining and operating a pipeline will enable the provision of a range of different pipeline services, all of which can be provided by a single pipeline asset. For this reason, it is generally not possible to directly attribute construction, maintenance and operational activities (and therefore their costs) to each pipeline service that is provided.

QGP service provider utilises an Enterprise Resource Planning (**ERP**) corporate business system to capture, control and report its costs. Controls within the ERP system ensure that costs are reported only once.

Costs are recorded at an activity level in the ERP system and rolled up to a Work Breakdown Structure (**WBS, Project**). A WBS is a model that breaks down a project into smaller, more manageable components or tasks, organized in a hierarchical structure which tracks:

- the nature of the accounting treatment—being capital or operating expenditure
- the nature of the expenditure—e.g. maintenance, licences, shared costs etc.

QGP service provider reports its costs in a number of categories, and assigns costs using various methods. A summary of this approach is outlined in Table 3–1.

Costs are assigned to the QGP consistent with the requirements set out in section 2.3 of the AER's Pipeline Information Disclosure Guidelines and the cost allocation principles set out in rule 103(4) of the NGR.

Table 3–1: Summary of cost categories and assignment methodology to pipeline

Cost category	Assignment method	
	Attribution	Allocation
Labour	✓	
Subcontractor	✓	
Materials	✓	
Fleet operating costs	✓	
Other pipeline costs	✓	
Pipeline overheads		✓
Corporate overheads		✓

3.2 ATTRIBUTABLE COSTS TO PIPELINE

Rule 103(4)(c) of the NGR requires that service provider must only allocate costs to a pipeline that are directly attributable to the pipeline and if costs are not directly attributable to the pipeline, but which are incurred in providing services by means of the pipeline, such costs must be allocated to the pipeline using an appropriate allocator.

Costs that are attributed to the QGP and their basis for attribution are explained in Table 3-2.

Table 3–2: Pipeline attributable costs

Direct cost type	Basis for attribution
Labour	Labour costs are assigned using time writing (quantity) at a standard labour rate through the Cross Application Timesheets (**CATS**) module of our ERP system to a relevant WBS.
Subcontractors	External contractors may be sourced to supplement the existing workforce for specific projects, additional workloads or to cover employee absences. Subcontractor costs are receipted against a purchase order and then assigned to the relevant pipeline WBS.
Materials	Material costs include stock items distributed through QGP's warehousing and materials purchased directly from an external party via purchase order processing system. Material costs are assigned to the relevant pipeline WBS.
Fleet operating costs	Fleet operating costs are captured against cost centres and attributed to the relevant pipeline WBS.
Other pipeline costs	All other costs incurred directly as a result of operating the pipeline e.g. licence fees, lands management fees.

3.3 ALLOCATED COSTS TO PIPELINE

Allocated costs are costs that cannot be directly attributed to a pipeline, in most cases they are 'shared' in nature. The costs are captured in our ERP system and then allocated to a WBS project. Causal allocators are created consistent with well accepted causal methods to apportion the costs.

3.3.1 CORPORATE OVERHEAD COSTS

QGP service provider incurs corporate overhead costs. These shared enterprise support function costs are used to support multiple business units within the Jemena Group and cannot be directly attributed to a pipeline, but are incurred in order for QGP service provider to provide pipeline services. These costs are captured in cost collectors and then allocated on causal basis to business units including QGP service provider.

Corporate overhead costs are allocated to the QGP in the following ways:

- Step 1: Corporate overhead costs are allocated to Jemena's gas transmission and processing assets based on specific causal drivers assigned to each type of overhead cost, with a range of allocation drivers used as appropriate for each type of cost including surveys of headcount effort, surveys of digital application usage, emissions volumes, revenue and EBIT.
- Step 2: Corporate overhead costs are then allocated to various service providers including the QGP service provider based on a management survey of the support effort consumed by each service provider.

The allocators used to allocate shared enterprise support function costs are the most appropriate because they are the best estimates of the benefits consumed by the respective pipelines and other business units within the Jemena Group.

A summary of the QGP's shared corporate overhead costs is provided in Table 3-3.

Table 3–3: Description of corporate overhead cost items

Description
• Office of the Managing Director • Corporate Strategy • Finance • Digital (Information and Technology Services) • People, Safety and Governance • Procurement, Property and Fleet • Regulatory

3.3.2 PIPELINE OVERHEAD COSTS

QGP service provider incurs pipeline overhead costs. These costs are used to support multiple pipelines within the Jemena Group and cannot be directly attributed to a pipeline, but are incurred in order for QGP service provider to provide pipeline services. Pipeline overhead costs are allocated on causal basis based on an annual survey of work effort by the supporting functional teams.

A summary of the QGP's pipeline overhead costs is provided in Table 3-4

Table 3–4: Description of pipeline overhead cost items

Description
• Pipeline management activities relating to the QGP asset • Design and service engineering, technical asset management, compliance and risk activities relating to the asset • Pipeline marketing and other commercial activities

4. COST ALLOCATION TO SERVICES

Although some costs of the QGP can be identified and directly attributed to the pipeline via a WBS within the ERP system, these costs cannot be further broken down and attributed to individual pipeline services provided by the QGP. Costs are not incurred specifically at a service level and therefore are not directly attributable to services. As such, the costs attributed to the QGP pipeline are allocated to the individual pipeline services provided by the QGP.

Expenses are allocated to the 'Description' categories based on the Direct Revenue allocator. This allocator is the most appropriate because there is a relationship between the economic benefits realised (direct revenue) and the economic benefits consumed (Direct expenses & Shared Expenses) as a result of operating the pipeline. QGP service provider is not aware of a more appropriate allocation approach.

Table 4–1: Summary of cost categories and assignment methodology to pipeline services

Cost category	Assignment method	
	Attribution	Allocation
Labour		✓
Subcontractor		✓
Materials		✓
Fleet operating costs		✓
Other pipeline costs		✓
Pipeline overheads		✓
Corporate overheads		✓

5. ACCOUNTABILITIES AND RESPONSIBILITIES

The CAM will be used for all regulatory reporting purposes.

QGP service provider is committed to the ongoing application of the CAM. It will be the primary responsibility of Jemena's General Manager, Business Performance who will:

- conduct periodic reviews of the CAM;
- liaise with the Chief Financial Officer (**CFO**), Regulation team, Business Unit Managers, Other Finance General Managers and their staff where relevant CAM issues are raised; and
- act as the reference point for all queries regarding the CAM in relation to Regulatory matters.

6. RECORD MAINTENANCE

All relevant documentation supporting the allocation of costs (direct or shared) are maintained within Jemena's accounting and information system databases.

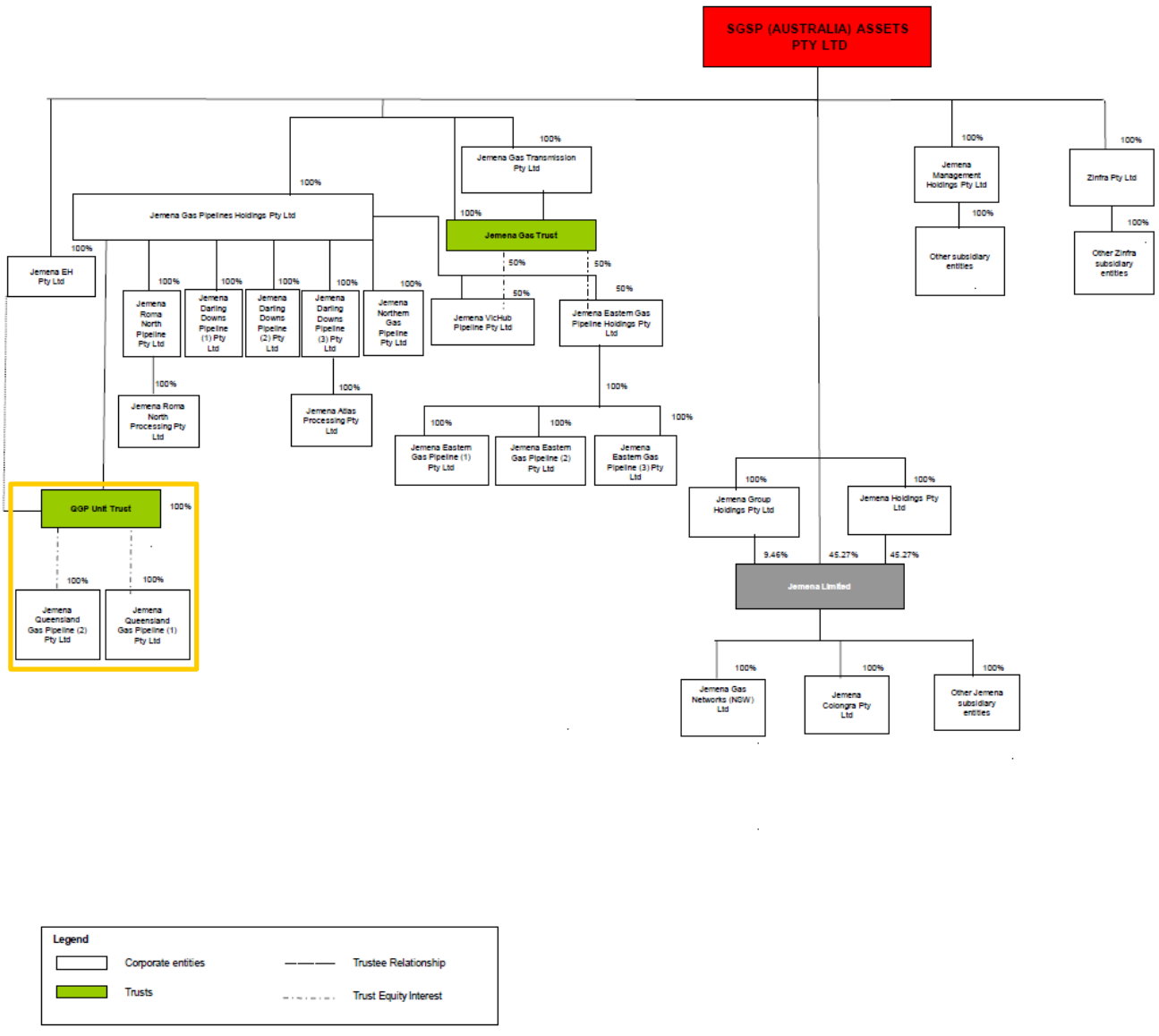
These records are supported by the company's comprehensive record protection and retention procedures and practices, as well as the relevant data recovery and back up processes.

Appendix A
SGSPAA Group Structure

A1. SGSPAA GROUP STRUCTURE

QGP service provider's position within the SGSPAA group structure is highlight in orange.

Figure A1–1: SGSPAA group structure



Jemena Queensland Gas Pipeline (1) Pty Ltd
ABN 97 083 050 284
Jemena Queensland Gas Pipeline (2) Pty Ltd
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Glenn Austin
Partner
KPMG
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Melbourne Vic 3008

27 June 2025

Dear Glenn

Management Statement

Management of the QGP Service Provider comprising:

- Jemena Queensland Gas Pipeline (1) Pty Ltd
- Jemena Queensland Gas Pipeline (2) Pty Ltd

(collectively the Service Provider) has prepared the financial information set out in the Part 10 Financial Reporting Templates for the year ended 31 December 2024 in accordance with the cost allocation principles and methods within the QGP Cost Allocation Methodology attached as Appendix 1.

Yours sincerely

Kate Webster
Chief Financial Officer

Queensland Gas Pipeline

QGP Cost Allocation Methodology

Public

This information was last updated on 27/6/2025,is current as of that date and replaces all previous versions.

27 June 2025

Jemena

An appropriate citation for this paper is:

QGP Cost Allocation Methodology

Authorisation

Name	Job Title	Date	Signature
Approved by:			
Nurcan Hasan	General Manager, Business Performance	27 June 2025	

History

Rev No	Date	Description of changes	Author
1.0	27 June 2025	Initial version	Anthony Walker

Owning Functional Area

Business Function Owner:	Commercial Finance Energy Markets

Review Details

Review Period:	Revision Date/Last Review Date + 2 years
Next Review Due:	27 June, 2027

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ABBREVIATIONS

AER	Australian Energy Regulator
AEMO	Australian Energy Market Operator
CAM	Cost Allocation Methodology
CATS	Cross Application Timesheets
CFO	Chief Financial Officer
ERP	Enterprise Resource Planning
NGR	National Gas Rules
NGL	National Gas Law
QGP	Queensland Gas Pipeline
WBS	Work Breakdown Structure

OVERVIEW

The Queensland Gas Pipeline (**QGP**) is a 627km natural gas pipeline delivering gas from the Wallumbilla gas hub in south central Queensland to large industrial gas users in Gladstone and Rockhampton. Gas enters the pipeline at Wallumbilla and at various receipt points located near gas fields along the pipeline route.

The QGP is jointly owned by Jemena Queensland Gas Pipeline (1) Pty Ltd and Jemena Queensland Gas Pipeline (2) Pty Ltd (collectively referred to as **QGP service provider**), who are subsidiaries of SGSPAA. See Appendix A for a chart of the SGSPAA group structure (**Jemena group**).

The QGP is a non-scheme pipeline.

This cost allocation methodology (**CAM**) has been prepared pursuant to the requirement of Rule 101D(1)(b) of the National Gas Rules (**NGR**) in respect of the financial year ending 31 December 2024 for the QGP.

1. NATURE, SCOPE AND PURPOSE

The purpose of this CAM is to establish a method of attributing or allocating costs to services provided by the QGP. The cost allocation principles, policies and approach are to be consistent with:

- the cost allocation principles set out in Rule 103(4) of the NGR which require that costs directly attributable to a pipeline be allocated to the pipeline; and costs which are not directly attributable to the pipeline but are incurred in providing services by means of the pipeline must be allocated to the pipeline using an appropriate allocator.
- the ring-fencing provisions set out in Chapter 4 Part 2 of the NGL. In particular, Jemena maintains a number of internal controls to ensure that the costs of related businesses undertaken by associates are not allocated to service providers. Additionally, section 141 of the NGL requires a service provider to prepare and maintain separate accounts in respect of pipeline services provided by means of every pipeline owned by the service provider, as well as a consolidated set of accounts in respect of the whole of the business of the service provider.

2. PIPELINE SERVICES

QGP service provider provides pipeline services by means of the QGP, which include haulage transportation and park and lend services as standard service offerings. These services are explained below:

1. **Firm forward haul transportation service**: transportation service where the transportation of gas is guaranteed along a specified route and timeframe at an agreed volume and tariff. The transportation for a firm service is secured and not subject to changes or cancellations, providing a certain level of reliability. The "forward haul" aspect specifically refers to the part of the journey where goods are moved from the origin point to the destination. This service is commonly used on the QGP to ensure timely and predictable delivery of gas.

2. **Backhaul service**: the transportation of gas in the opposite direction of the primary or forward haul. A backhaul service involves moving gas from a secondary delivery point back toward the source or a different destination. On the QGP a backhaul service allows for efficient use of pipeline infrastructure by enabling gas to be contracted in both directions.

3. **Interruptible or as available transportation service**: Service where transportation capacity is provided on a non-guaranteed, flexible basis. Unlike firm services, which are guaranteed and cannot be interrupted, an interruptible or as-available service is subject to fluctuations in availability. If there is excess capacity in the system the service can be utilized. However, if the pipeline reaches full capacity or there is a higher priority demand (such as firm commitments), the interruptible service may be unavailable. This service provides less certainty for the customer. It's ideal for shippers who have flexible delivery schedules or who are willing to take the risk of interruptions in exchange for flexibility in the way of only paying for the volumes which are required on a given day.

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From time-to-time, QGP service provider may also provide services that are not pipeline services.

3. COST ALLOCATION PRINCIPLES AND POLICIES

3.1 OVERVIEW OF APPROACH

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Appendix A
SGSPAA Group Structure

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Figure A1–1: SGSPAA group structure