

# Assurance Reports 2025

This information was last updated on 29 May 2026, is current as of that date and replaces all previous versions

29 May 2026





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Ernst & Young  
8 Exhibition Street  
Melbourne VIC 3000 Australia  
GPO Box 67 Melbourne VIC 3001

Tel: +61 3 9288 8000  
Fax: +61 3 8650 7777  
ey.com/au

## Independent Auditor's Report to the Directors of Jemena Queensland Gas Pipeline (1) Pty Ltd & Jemena Queensland Gas Pipeline (2) Pty Ltd

### Opinion

We have audited the [historical financial information contained within the following Part 10 Financial Reporting Templates (the "Actual Historical Financial Information") of Jemena Queensland Gas Pipeline (1) Pty Ltd & Jemena Queensland Gas Pipeline (2) Pty Ltd (the Companies) for the regulatory year ended 31 December 2025:

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In our opinion, the Actual Historical Financial Information of the Companies for the regulatory year ended 31 December 2025 are prepared, in all material respects, in accordance with the Gas Pipeline Information Disclosure requirements issued by Australian Energy Regulator (the AER) on 27 October 2023 pursuant to Part 10 of the National Gas Rules (the "Guideline") and the Basis of Preparation as prescribed by the Guideline (the "Criteria").

### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Actual Historical Financial Information* section of our report. We are independent of the Companies 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)* that are relevant to our audit of the Actual Historical Financial Information in Australia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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### **Emphasis of matter – Basis of accounting and restriction on distribution**

We draw attention to the Basis of Preparation of the Actual Historical Financial Information which describes the basis of accounting. The Actual Historical Financial Information is prepared to assist the Companies to meet the requirements of the Guideline. As a result, the Actual Historical Financial Information may not be suitable for another purpose. Our report is intended solely for the Companies and the AER (collectively the “Recipients”) and should not be distributed to parties other than the Recipients. Our opinion is not modified in respect of this matter.

### **Information other than the Actual Historical Financial Information and Auditor’s Report thereon**

The Companies’ management are responsible for the other information. The other information comprises the estimated historical financial and non-financial information included in the above Part 10 Financial Reporting Templates but does not include the Actual Historical Financial Information and our auditor’s report thereon.

Our opinion on the Actual Historical Financial Information does not cover the other information and accordingly we do not express any form of assurance conclusion thereon within this auditor’s report.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of management for the Actual Historical Financial Information**

The Companies’ management is responsible for the preparation of the Actual Historical Financial Information in accordance with the Guideline and the Basis of Preparation as prescribed by the Guideline and for such internal control as management determines is necessary to enable the preparation of the Actual Historical Financial Information that is free from material misstatement, whether due to fraud or error.

In preparing the Actual Historical Financial Information, management is responsible for assessing the Companies’ ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intend to liquidate the Companies or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

### **Auditor’s responsibilities for the audit of the Actual Historical Financial Information**

Our objectives are to obtain reasonable assurance about whether the Actual Historical Financial Information 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 and 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 Actual Historical Financial Information .



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As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the Actual Historical Financial Information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Companies' internal control.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Companies' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Actual Historical Financial Information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Companies to cease to continue as a going concern.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.

We communicate with the directors, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in blue ink, appearing to read 'Ernst &amp; Young'.

Ernst & Young

A handwritten signature in blue ink, appearing to be 'Brett Croft'.

Brett Croft  
Partner  
Melbourne  
29 May 2026



**Part 10 Financial Reporting**  
**Jemena Queensland Gas Pipeline (1) Pty Ltd**  
**Jemena Queensland Gas Pipeline (2) Pty Ltd**  
**Year ending 31/12/2025**  
**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
	<b>Revenue</b>		<b>Expenses</b>		
	Firm forward haul transportation service	50,827,428	Firm forward haul transportation service	(29,791,454)	21,035,974
	Backhaul service		Backhaul service		
	Interruptible or as available transportation service	635,341	Interruptible or as available transportation service	(374,520)	260,821
	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	1,645,611	Park and loan services	(970,053)	675,558
	Capacity trading service		Capacity trading service		
	In pipe trading service		In pipe trading service		
	Other	2,761,276	Other	(1,456,765)	1,304,512
	<b>Total net revenue</b>	<b>55,869,657</b>	<b>Total Expenses</b>	<b>(32,592,791)</b>	<b>23,276,865</b>



**Part 10 Financial Reporting**  
**Jemena Queensland Gas Pipeline (1) Pty Ltd**  
**Jemena Queensland Gas Pipeline (2) Pty Ltd**  
**Year ending 31/12/2025**  
**Profit & Loss statement by component**

**Table 2.1.1: Statement of pipeline revenue and expenses by component**

Basis of Preparation ID	Description	Current reporting period			Previous reporting period		
		Amounts excluding related party transactions	Related party transactions	Total	Amounts excluding related party transactions	Related party transactions	Total
		\$ nominal	\$ nominal	\$ nominal	\$ nominal	\$ nominal	\$ nominal
	<b>Direct revenue by pipeline</b>						
2.1.1SOPRAEBC_D13:I22	Total service revenue	55,290,875	-	55,290,875	46,971,529	-	46,971,529
2.1.1SOPRAEBC_D13:I22	Customer contribution revenue	578,782	-	578,782	1,018,559	-	1,018,559
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	55,869,657	-	55,869,657	47,990,087	-	47,990,087
2.1.1SOPRAEBC_D13:I22	<b>Indirect revenue allocated to pipeline</b>						
2.1.1SOPRAEBC_D13:I22	Other indirect revenue	-	-	-	-	-	-
	Total indirect revenue by pipeline	-	-	-	-	-	-
	Total revenue by pipeline	55,869,657	-	55,869,657	47,990,087	-	47,990,087
	<b>Direct expenses by pipeline</b>						
2.1.1SOPRAEBC_D24:I45	Repairs and maintenance	-	(4,286,237)	(4,286,237)	-	(4,850,994)	(4,850,994)
2.1.1SOPRAEBC_D24:I45	Wages	-	(6,452,052)	(6,452,052)	-	(8,935,356)	(8,935,356)
2.1.1SOPRAEBC_D24:I45	Depreciation	(10,268,365)	-	(10,268,365)	(10,829,866)	-	(10,829,866)
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	-	(1,236,976)	(1,236,976)	-	(1,234,877)	(1,234,877)
2.1.1SOPRAEBC_D24:I45	Other direct expenses	-	(1,813,065)	(1,813,065)	-	(2,417,094)	(2,417,094)
	Total direct expenses by pipeline	(10,268,365)	(13,788,331)	(24,056,697)	(10,829,866)	(17,438,320)	(28,268,186)
2.1.1SOPRAEBC_D24:I45	<b>Shared expenses by pipeline</b>						
2.1.1SOPRAEBC_D24:I45	Employee expenses	-	(3,576,393)	(3,576,393)	-	(1,890,591)	(1,890,591)
2.1.1SOPRAEBC_D24:I45	Information technology and communication costs	-	(1,481,848)	(1,481,848)	-	(760,491)	(760,491)
2.1.1SOPRAEBC_D24:I45	Indirect operating expenses	-	(1,297,198)	(1,297,198)	-	(963,754)	(963,754)
2.1.1SOPRAEBC_D24:I45	Shared asset depreciation	(1,367,809)	-	(1,367,809)	(1,235,625)	-	(1,235,625)
2.1.1SOPRAEBC_D24:I45	Rental and leasing costs	-	(812,846)	(812,846)	-	(192,761)	(192,761)
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	(1,367,809)	(7,168,285)	(8,536,095)	(1,235,625)	(3,807,597)	(5,043,222)
	Total expenses by pipeline	(11,636,175)	(20,956,616)	(32,592,791)	(12,065,491)	(21,245,917)	(33,311,408)
	<b>Earnings before interest and tax (EBIT)</b>	<b>44,233,482</b>	<b>(20,956,616)</b>	<b>23,276,865</b>	<b>35,924,596</b>	<b>(21,245,917)</b>	<b>14,678,679</b>



**Part 10 Financial Reporting**  
**Jemena Queensland Gas Pipeline (1) Pty Ltd**  
**Jemena Queensland Gas Pipeline (2) Pty Ltd**  
**Year ending 31/12/2025**  
**Allocation to pipeline services**

**Table 2.2.1: Revenue by service**

Basis of Preparation ID	Description	Reporting period				Previous reporting period			
		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
	<b>Direct revenue (excl. capital contributions)</b>								
2.2.1RBS D13:K23	Firm forward haul transportation service	91.41%	50,538,647	-	50,538,647	97.64%	45,861,047	-	45,861,047
2.2.1RBS D13:K23	Backhaul service	0.00%	-	-	-	0.01%	5,980	-	5,980
2.2.1RBS D13:K23	Interruptible or as available transportation service	1.15%	635,341	-	635,341	0.14%	67,082	-	67,082
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	2.98%	1,645,611	-	1,645,611	1.03%	483,384	-	483,384
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	4.47%	2,471,276	-	2,471,276	1.18%	554,036	-	554,036
	<b>Total direct revenue (excl. capital contributions)</b>	<b>100.00%</b>	<b>55,290,875</b>	<b>-</b>	<b>55,290,875</b>	<b>100.00%</b>	<b>46,971,529</b>	<b>-</b>	<b>46,971,529</b>
	<b>Capital contributions</b>								
2.2.1RBS D25:K35	Firm forward haul transportation service	49.89%	288,782	-	288,782	100.00%	1,018,559	-	1,018,559
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	50.11%	290,000	-	290,000	0.00%	-	-	-
	<b>Total capital contributions</b>	<b>100.00%</b>	<b>578,782</b>	<b>-</b>	<b>578,782</b>	<b>100.00%</b>	<b>1,018,559</b>	<b>-</b>	<b>1,018,559</b>
	<b>Indirect revenue allocated</b>								
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%	-	-	-
	<b>Total indirect revenue</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total revenue</b>		<b>55,869,657</b>	<b>-</b>	<b>55,869,657</b>		<b>47,990,087</b>	<b>-</b>	<b>47,990,087</b>

**Table 2.2.2: Expenses by service**

Basis of Preparation ID	Description	Reporting period				Previous reporting period			
		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
	<b>Direct expenses (excl. depreciation)</b>								
2.2.2EBS D56:K66	Firm forward haul transportation service	91.41%	-	(12,603,230)	(12,603,230)	97.64%	-	(17,026,051)	(17,026,051)
2.2.2EBS D56:K66	Backhaul service	0.00%	-	-	-	0.01%	(2,220)	(2,220)	(2,220)
2.2.2EBS D56:K66	Interruptible or as available transportation service	1.15%	-	(158,440)	(158,440)	0.14%	(24,904)	(24,904)	(24,904)
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	2.98%	-	(410,379)	(410,379)	1.03%	-	(179,458)	(179,458)
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	4.47%	-	(616,282)	(616,282)	1.18%	-	(205,688)	(205,688)
	<b>Total direct expenses (excl. depreciation)</b>	<b>100.00%</b>	-	<b>(13,788,331)</b>	<b>(13,788,331)</b>	<b>100.00%</b>	-	<b>(17,438,320)</b>	<b>(17,438,320)</b>
	<b>Depreciation</b>								
2.2.2EBS D68:K78	Firm forward haul transportation service	91.41%	(10,636,050)	-	(10,636,050)	97.64%	(11,780,244)	-	(11,780,244)
2.2.2EBS D68:K78	Backhaul service	0.00%	-	-	-	0.01%	(1,536)	-	(1,536)
2.2.2EBS D68:K78	Interruptible or as available transportation service	1.15%	(133,710)	-	(133,710)	0.14%	(17,231)	-	(17,231)
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	2.98%	(346,325)	-	(346,325)	1.03%	(124,166)	-	(124,166)
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	4.47%	(520,090)	-	(520,090)	1.18%	(142,314)	-	(142,314)
	<b>Total depreciation</b>	<b>100.00%</b>	<b>(11,636,175)</b>	-	<b>(11,636,175)</b>	<b>100.00%</b>	<b>(12,065,491)</b>	-	<b>(12,065,491)</b>
	<b>Shared expenses allocated (excl. depreciation)</b>								
2.2.2EBS D80:K91	Firm forward haul transportation service	91.41%	-	(6,552,174)	(6,552,174)	97.64%	-	(3,717,579)	(3,717,579)
2.2.2EBS D80:K91	Backhaul service	0.00%	-	-	-	0.01%	-	(485)	(485)
2.2.2EBS D80:K91	Interruptible or as available transportation service	1.15%	-	(82,370)	(82,370)	0.14%	-	(5,438)	(5,438)
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	2.98%	-	(213,348)	(213,348)	1.03%	-	(39,184)	(39,184)
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	4.47%	-	(320,393)	(320,393)	1.18%	-	(44,911)	(44,911)
	<b>Total shared expenses (excl. depreciation)</b>	<b>100.00%</b>	-	<b>(7,168,285)</b>	<b>(7,168,285)</b>	<b>100.00%</b>	-	<b>(3,807,597)</b>	<b>(3,807,597)</b>
	<b>Total expenses</b>		<b>(11,636,175)</b>	<b>(20,956,616)</b>	<b>(32,592,791)</b>		<b>(12,065,491)</b>	<b>(21,245,917)</b>	<b>(33,311,408)</b>



**Part 10 Financial Reporting**  
**Jemena Queensland Gas Pipeline (1) Pty Ltd**  
**Jemena Queensland Gas Pipeline (2) Pty Ltd**  
**Year ending 31/12/2025**  
**Revenue contributions**

**Table 2.3.1: Customer contributions received**

Description	Amounts excluding related party transactions \$ nominal	Related party transactions \$ nominal	Total \$ nominal
Customer Contributions	578,782		578,782
			-
			-
			-
			-
<b>Total</b>	<b>578,782</b>	<b>-</b>	<b>578,782</b>

**Table 2.3.2: Government contributions received**

Source	Description	Total \$ nominal
<b>Total</b>		<b>-</b>







**Part 10 Financial Reporting**  
**Jemena Queensland Gas Pipeline (1) Pty Ltd**  
**Jemena Queensland Gas Pipeline (2) Pty Ltd**  
**Year ending 31/12/2025**  
**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
	<b>Pipeline assets</b>		
	<b>Pipelines</b>		
3.1.1PADBVM_D18:E96	Opening Cost Base	247,477,648	226,354,575
3.1.1PADBVM_D18:E96	Additions	29,121,103	21,123,072
3.1.1PADBVM_D18:E96	Capitalised maintenance or improvements	-	-
	Total capitalised pipeline construction costs	276,598,750	247,477,648
3.1.1PADBVM_D18:E96	Depreciation (excl. impairment)	(136,637,518)	(131,498,713)
3.1.1PADBVM_D18:E96	Impairment losses	-	-
3.1.1PADBVM_D18:E96	Disposals or early termination (at cost)	-	-
	Closing pipelines carrying value	139,961,232	115,978,934
	<b>Compressors</b>		
3.1.1PADBVM_D18:E96	Opening Cost Base	76,918,224	76,918,224
3.1.1PADBVM_D18:E96	Additions	-	-
3.1.1PADBVM_D18:E96	Capitalised maintenance or improvements	-	-
3.1.1PADBVM_D18:E96	Depreciation (excl. impairment)	(48,879,537)	(46,483,870)
3.1.1PADBVM_D18:E96	Impairment losses	-	-
3.1.1PADBVM_D18:E96	Disposals or early termination (at cost)	-	-
	Closing compressors carrying value	28,038,688	30,434,355
	<b>City Gates, supply regulators and valve stations</b>		
3.1.1PADBVM_D18:E96	Opening Cost Base	38,220,272	36,174,134
3.1.1PADBVM_D18:E96	Additions	2,879,814	2,046,137
3.1.1PADBVM_D18:E96	Capitalised maintenance or improvements	-	-
3.1.1PADBVM_D18:E96	Depreciation (excl. impairment)	(18,106,907)	(16,964,936)
3.1.1PADBVM_D18:E96	Impairment losses	-	-
3.1.1PADBVM_D18:E96	Disposals or early termination (at cost)	-	-
	Closing city gates, supply regulators and valve stations carrying value	22,993,178	21,255,336
	<b>Metering</b>		
3.1.1PADBVM_D18:E96	Opening Cost Base	4,496,050	4,496,050

3.1.1PADBVM_D18:E96	Additions	-	-
3.1.1PADBVM_D18:E96	Capitalised maintenance or improvements	-	-
3.1.1PADBVM_D18:E96	Depreciation (excl. impairment)	(3,763,527)	(3,601,994)
3.1.1PADBVM_D18:E96	Impairment losses	-	-
3.1.1PADBVM_D18:E96	Disposals or early termination (at cost)	-	-
	Closing metering carrying value	732,524	894,057
	<b>Odorant plants</b>		
3.1.1PADBVM_D18:E96	Opening Cost Base	-	-
3.1.1PADBVM_D18:E96	Additions	-	-
3.1.1PADBVM_D18:E96	Capitalised maintenance or improvements	-	-
3.1.1PADBVM_D18:E96	Depreciation (excl. impairment)	-	-
3.1.1PADBVM_D18:E96	Impairment losses	-	-
3.1.1PADBVM_D18:E96	Disposals or early termination (at cost)	-	-
	Closing odorant plants carrying value	-	-
	<b>SCADA (Communications)</b>		
3.1.1PADBVM_D18:E96	Opening Cost Base	2,472,057	2,472,057
3.1.1PADBVM_D18:E96	Additions	-	-
3.1.1PADBVM_D18:E96	Capitalised maintenance or improvements	-	-
3.1.1PADBVM_D18:E96	Depreciation (excl. impairment)	(2,435,949)	(2,385,216)
3.1.1PADBVM_D18:E96	Impairment losses	-	-
3.1.1PADBVM_D18:E96	Disposals or early termination (at cost)	-	-
	Closing SCADA carrying value	36,108	86,841
	<b>Buildings</b>		
3.1.1PADBVM_D18:E96	Opening Cost Base	11,822,391	11,822,391
3.1.1PADBVM_D18:E96	Additions	1,299,631	-
3.1.1PADBVM_D18:E96	Capitalised maintenance or improvements	-	-
3.1.1PADBVM_D18:E96	Depreciation (excl. impairment)	(5,762,687)	(5,269,403)
3.1.1PADBVM_D18:E96	Impairment losses	-	-
3.1.1PADBVM_D18:E96	Disposals or early termination (at cost)	-	-
	Closing buildings carrying value	7,359,335	6,552,988
	<b>Land and easements</b>		
3.1.1PADBVM_D18:E96	Opening Cost Base	6,465,980	6,492,131
3.1.1PADBVM_D18:E96	Additions	(26,150)	(26,150)
3.1.1PADBVM_D18:E96	Capitalised maintenance or improvements	-	-
3.1.1PADBVM_D18:E96	Impairment losses	-	-
3.1.1PADBVM_D18:E96	Disposals or early termination (at cost)	-	-
	Closing land and easements carrying value	6,439,830	6,465,980
	<b>Other depreciable pipeline assets</b>		
3.1.1PADBVM_D18:E96	Opening Cost Base	24,225,796	23,644,277
3.1.1PADBVM_D18:E96	Additions	1,328,464	596,083
3.1.1PADBVM_D18:E96	Capitalised maintenance or improvements	-	-
3.1.1PADBVM_D18:E96	Depreciation (excl. impairment)	(19,866,666)	(19,006,444)
3.1.1PADBVM_D18:E96	Impairment losses	-	-
3.1.1PADBVM_D18:E96	Disposals or early termination (at cost)	-	(14,564)
	Closing other depreciable pipeline assets carrying value	5,687,594	5,219,352
	<b>Leased assets</b>		
3.1.1PADBVM_D18:E96	Opening Cost Base	-	-
3.1.1PADBVM_D18:E96	Additions	-	-
3.1.1PADBVM_D18:E96	Capitalised maintenance or improvements	-	-
3.1.1PADBVM_D18:E96	Depreciation (Amortisation) (excl. impairment)	-	-
3.1.1PADBVM_D18:E96	Impairment losses	-	-

3.1.1PADBVM_D18:E96	Disposals or early termination (at cost)	-	-
	Closing leased asset carrying value	-	-
3.1.1PADBVM_D97:E102	<b>Other non-depreciable pipeline assets</b>		
3.1.1PADBVM_D97:E102	Opening Cost Base	612,766,683	557,654,341
3.1.1PADBVM_D97:E102	Additions	62,436,363	55,112,342
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	675,203,046	612,766,683
	<b>Total pipeline assets</b>	886,451,535	799,654,526
	<b>Shared supporting assets allocated</b>		
	<b>Shared property, plant and equipment</b>		
3.1.1PADBVM_D106:E119	Opening Cost Base	12,996,092	12,279,673
3.1.1PADBVM_D106:E119	Additions	1,608,455	716,419
3.1.1PADBVM_D106:E119	Capitalised maintenance or improvements	-	-
3.1.1PADBVM_D106:E119	Depreciation (excl. impairment)	(9,988,736)	(8,706,026)
3.1.1PADBVM_D106:E119	Impairment losses	-	-
3.1.1PADBVM_D106:E119	Disposals or early termination (at cost)	(85,648)	-
	Closing shared property, plant and equipment carrying value	4,530,163	4,290,066
	<b>Shared leased assets</b>		
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	<b>Inventories</b>	-	-
3.1.1PADBVM_D121:E123	<b>Deferred tax assets</b>	-	-
3.1.1PADBVM_D121:E123	<b>Other assets</b>	-	-
	<b>Total shared supporting assets allocated</b>	4,530,163	4,290,066
	<b>TOTAL ASSETS</b>	<b>890,981,698</b>	<b>803,944,591</b>

**Table 3.1.2: Initial costs of pipeline assets (DBVM)**

Basis of Preparation ID	Description	
	<b>TOTAL ASSETS</b>	
3.1.2ICOPADBVM_D132		197,131,290



**Part 10 Financial Reporting**  
**Jemena Queensland Gas Pipeline (1) Pty Ltd**  
**Jemena Queensland Gas Pipeline (2) Pty Ltd**  
 Year ending **31/12/2025**  
 Date RAB established **0/01/1900**  
**Asset value - Regulatory Asset Base (RAB) (For Scheme pipeline only)**

This template is for a non-indexed asset value derived from a regulator-determined initial regulatory asset base and capital expenditure with straight-line depreciation, for scheme pipelines.

Table 3.2.1: Pipeline assets (RAB)

Basis of Preparation ID	Description	Year				
		2021-22	2022-23	2023-24	2024-25	2025-26
	<b>Pipelines</b>	\$	\$	\$	\$	\$
	Nominal Opening Regulatory Asset Base					
	Nominal Capex					
	Total capitalised pipeline construction costs					
	Less Asset disposal (at cost)					
	Less Nominal Actual Regulatory Depreciation					
	Closing pipeline carrying value					
	<b>Compressors</b>					
	Nominal Opening Regulatory Asset Base					
	Additions and improvements capitalised					
	Less Depreciation of compressors					
	Less Disposal (at cost)					
	Closing compressors carrying value					
	<b>City Gates, supply regulators and valve stations</b>					
	Nominal Opening Regulatory Asset Base					
	Improvements capitalised					
	Less Depreciation of city gates, supply regulators and valve stations					
	Less Disposal (at cost)					
	Closing city gates, supply regulators and valve stations carrying value					
	<b>Metering</b>					
	Nominal Opening Regulatory Asset Base					
	Additions and improvements capitalised					
	Less Depreciation of metering					
	Less Disposal (at cost)					
	Closing Metering					
	<b>Odourant plants</b>					
	Nominal Opening Regulatory Asset Base					
	Additions and improvements capitalised					
	Less Depreciation of odourant plants					
	Less Disposal (at cost)					
	Closing odourant plants carrying value					
	<b>SCADA (Communications)</b>					
	Nominal Opening Regulatory Asset Base					
	Additions and improvements capitalised					
	Less Depreciation of SCADA					
	Less Disposal (at cost)					
	Closing SCADA carrying value					
	<b>Buildings</b>					
	Nominal Opening Regulatory Asset Base					
	Additions and improvements capitalised					
	Less Depreciation of buildings					
	Less Disposal (at cost)					
	Closing buildings carrying value					
	<b>Land and easements</b>					
	Nominal Opening Regulatory Asset Base					
	Additions and improvements capitalised					
	Less Depreciation of land and easement					
	Less Disposal (at cost)					
	Closing land and easements carrying value					
	<b>Other depreciable pipeline assets</b>					
	Nominal Opening Regulatory Asset Base					

	Additions and improvements capitalised					
	Less Depreciation/amortisation					
	Less Disposal (at cost)					
	Closing other depreciable pipeline assets carrying value	-	-	-	-	-
	<b>Leased pipeline assets</b>					
	Nominal Opening Regulatory Asset Base	-	-	-	-	-
	Additions and improvements capitalised					
	Less Depreciation/amortisation					
	Less Disposal (at cost)					
	Closing leased pipeline assets carrying value	-	-	-	-	-
	Total pipeline assets	-	-	-	-	-
	<b>Shared supporting assets (RAB)</b>					
	Nominal Opening Regulatory Asset Base	-	-	-	-	-
	Additions and improvements capitalised					
	Less Shared property, plant and equipment depreciation					
	Less disposals of shared supporting assets					
	Closing shared property, plant and equipment	-	-	-	-	-
	<b>Shared leased assets</b>					
	Nominal Opening Regulatory Asset Base	-	-	-	-	-
	Additions and improvements capitalised					
	Less Depreciation/amortisation					
	Less Disposal (at cost)					
	Closing shared leased assets carrying value	-	-	-	-	-
	Opening other assets	-	-	-	-	-
	Change in other assets					
	Closing other assets	-	-	-	-	-
	Total shared supporting assets allocated	-	-	-	-	-
	<b>TOTAL ASSETS</b>	-	-	-	-	-



**Part 10 Financial Reporting**  
**Jemena Queensland Gas Pipeline (1) Pty Ltd**  
**Jemena Queensland Gas Pipeline (2) Pty Ltd**  
**Year ending 31/12/2025**  
**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 years	Reason for choosing this useful life
3.3.1AUL_D11:F39	Pipelines	July 1990 to October 2025	46.3	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	Compressors	July 1990 to October 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 October 2025	41.3	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.

			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	Metering	July 1990 to April 2021		
3.3.1AUL_D11:F39	Odorant plants	N/A	N/A	N/A - No assets classified within this category
			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	SCADA (Communications)	July 1990 to November 2020		
			33.6	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	Buildings	July 1990 to November 2025		
			10.9	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	Other depreciable pipeline assets	July 1990 to November 2025		









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 2025 (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<sup>1</sup>. 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 section of this basis of preparation.

<sup>1</sup> Jemena is the branded name of a group of businesses owned and operated by SGSP (Australia) Assets Pty Ltd (SGSPAA).

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.



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 revenues and expenses by component	2.1.1SOPRAEBC_D13:122	Description: Direct revenue by pipeline	Actual	N/A	PyPIIT and SAP	None noted	<p><u>Amount excluding related party transactions:</u></p> <p><u>Total service revenue</u> Refer to Table ID 2.2.1, which includes an explanation of how revenue is allocated to 'Description' categories.</p> <p><u>Customer Contributions revenue</u> None</p> <p><u>Government Contributions revenue</u> None</p> <p><u>Profit from sale of fixed assets &amp; Other direct revenue (Other direct revenue refer to 2.2.1)</u> Items reported in this description category based on review of the SAP general ledger extract.</p> <p><u>Other indirect revenue</u> None</p> <p><u>Reporting period – Amounts excluding related party transactions</u> 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.</p>	None noted
2.1.1	Statement of pipeline revenues and expenses by component	2.1.1SOPRAEBC_D24:145	Description: Direct expenses by pipeline Shared expenses by pipeline	Actual	N/A	SAP	None noted	<p>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.</p> <p>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.</p> <p>Non-pipeline services revenue and related costs, that are recorded by WBS and identified by a SME, are excluded.</p> <p><u>Related party and non-related party</u> 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 functionally to transfer such costs at zero margin to the service provider. These costs are reported in the 'related party transactions' column.</p> <p><u>Direct costs and Shared costs.</u> 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 &amp; assessment, information &amp; 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.</p> <p>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.</p> <p><u>Mapping Opex into the template 'Description' categories</u> 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. Similarly, the pipeline has interpreted direct leasing and rental costs, and other direct expenses as costs that are not related to enterprise support functions. 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</p> <p>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.</p> <p><u>Earnings before Interest and tax (EBIT)</u> Non-input cell.</p>	None noted
2.1.1	Statement of pipeline revenues and expenses by component	2.1.1SOPRAEBC_D24:145	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 SGSPAA Group Consolidation support schedule (Business Combination Adjustments and Goodwill)	None noted	<p><u>SAP FAMR</u> Depreciation expense was extracted from the annual SAP FAMR.</p> <p><u>SGSPAA Group Consolidation supporting schedule</u> Depreciation expense was extracted from the SGSPAA Group Consolidation supporting schedule for pipeline assets not included in the SAP FAMR.</p> <p>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.</p> <p><u>Reporting period – Amounts excluding related party transactions.</u> 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.</p>	None noted

2.2 Allocation to pipeline services  
A breakdown of revenue and expenses 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	<p><u>Allocation to pipeline service &amp; -Amount excluding related party transactions</u>                      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.  <u>Non-PypIT Revenue (SAP)</u>                      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 made up of Day Ahead Auction revenue, Third party works safety supervision and imbalance charges for QGP.                      Non-pipeline services revenue and related costs, that are recorded by WBS and identified by a SME, are excluded.  <u>Reporting period - Amounts excluding related party transactions.</u>                      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.</p>	None noted
2.2.1	Revenue by service	2.2.1RBS_D25:K35	Capital Contributions	Actual		SAP		<p><u>Allocation to pipeline service &amp; Amount excluding related party transactions</u>                      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.  <u>Reporting period -Related party transactions</u>                      Based on a review of SAP supporting records, the pipeline did not have any Capital Contributions sourced from related parties.</p>	None noted
2.2.1	Revenue by service	2.2.1RBS_D37:K49	Indirect revenue allocated	Actual	N/A	SAP	N/A	<p>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.</p>	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	<p><u>Allocation to pipeline service &amp; Amount excluding related party transactions</u>                      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 &amp; 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.</p>	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	<p><u>Allocation to pipeline service &amp; Amount excluding related party transactions</u>                      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.</p>	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	<p>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.</p> <p><u>Description categories</u> The cost element description field was used to map costs into the template's 'Description' categories (e.g. 'Employee costs', 'Indirect operating expenses', etc.).</p> <p>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.</p> <p><u>Income statement account applied to</u> 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'.</p> <p><u>Related party and non-related party:</u></p> <p><u>Shared costs excluding related parties</u> 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.</p> <p><u>Shared costs paid to related parties</u> 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</p> <p><u>Percent (%) allocated to pipeline and total allocated to pipeline excluding related parties</u> 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.</p> <p>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 the direct cost profile of 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 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.</p> <p>Numeric quantities of allocators are displayed in the reporting template.</p>	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:E96 3.1.1PADBVM_D106:E119	Pipeline assets, Shared supporting assets	Per source material	N/A	Per source material	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. 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. <u>For shared assets</u> 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 SPSAA 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	<u>Other non-depreciable pipeline assets - SGSPAA Group Consolidation support schedule</u> 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. The pipeline receivables are \$662,192,252, of which the intercompany receivables amount to \$660,977,227  <u>Other non-depreciable pipeline assets - SAP TB</u> 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 cost incurred sourced from the published accounts and allocated 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	N/A	SAP	N/A	<p><u>Description (list each individual balance sheet item)</u> 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</p> <p>The pipeline does not depreciate land but does depreciate easements that have a fixed term life.</p> <p><u>Commission date (provide a range)</u> 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.</p> <p><u>Useful life years</u> 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: <math display="block">\frac{\sum((\text{Opening Cost} + \text{Acquisitions} + \text{Retirements}))}{(\text{Total 'Description' Cost})}</math> Note that the Total Description Costs is the sum of Opening cost + Additions - Retirements. <i>*Asset useful life</i> Asset class with an indefinite useful life has been excluded from the above calculation.</p> <p><u>Reason for choosing this useful life</u> 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.</p>	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	N/A	SAP	N/A	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	N/A	SAP	N/A	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	Pipeline assets at cost - pipeline assets &	3.5.1PAAC_C15: Q59	Description, Category, Acquisition date (provide a range), Useful life, Estimated residual value, Opening Cost Base	N/A	N/A	SAP FAMR and equipment listing report	N/A	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.	None noted
3.5.2	Shared assets at cost (less straight-line depreciation)	3.5.2SAAC_D66: P84	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			The SGSPAA Group Consolidation support schedule (Business Combination Adjustments and Goodwill)		<p>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 &amp; 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.</p> <p><u>Description</u> 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.</p> <p><u>Acquisition date (provide a range)</u> Refer to 'Commission date' explanation for Table 3.3.1 Asset useful life.</p> <p><u>Useful life</u> Refer to 'Useful life' explanation for Table 3.3.1 Asset useful life.</p> <p><u>Estimated residual value</u> 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)).</p> <p><u>Opening Cost Base, Current Year Additions and Current Years Disposals or Early Terminations, Prior years' accumulated depreciation, Current year depreciation, Written Down Value</u> The annual SAP FAMR report was generated with asset 'Category' detail overlaid (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 Fair Value adjustments and related depreciation expense were extracted from the SGSPAA Group Consolidation supporting schedule for pipeline assets and are not included in the SAP FAMR. 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.</p> <p><u>Capitalised Maintenance</u> 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).</p> <p><u>Other depreciable pipeline assets - SGSPAA Group Consolidation support schedule</u> Contract intangibles and Capitalised interest sourced from the SGSPAA Group Consolidation support schedule have been reported within the 'Other depreciable pipeline assets' category.</p>	

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
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	N/A	SAP - FAMR & project cost download for Shared Assets Capex at the pipeline's level.	None noted	<p>Description (list each individual shared asset category greater than 5%) 'Shared asset' category description' in the FAMR were reported in Table 3. 5.2.</p> <p>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.</p> <p>Shared property, plant and equipment – Additions in Table 3.1.1 align to Table 3.6.1 additions.</p> <p><u>Category of shared assets</u> 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.</p> <p><u>Total amount</u> 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 the template.</p> <p><u>% allocated to pipeline</u> 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.</p> <p><u>Total allocated to pipeline</u> 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.</p>



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Ernst & Young  
8 Exhibition Street  
Melbourne VIC 3000 Australia  
GPO Box 67 Melbourne VIC 3001

Tel: +61 3 9288 8000  
Fax: +61 3 8650 7777  
ey.com/au

## Independent Auditor's Review Report to the Directors of Jemena Queensland Gas Pipeline (1) Pty Ltd & Jemena Queensland Gas Pipeline (2) Pty Ltd

We have reviewed the actual historical financial information contained within the following Part 10 Financial Reporting Templates (the "Historical Financial Information") of Jemena Queensland Gas Pipeline (1) Pty Ltd & Jemena Queensland Gas Pipeline (2) Pty Ltd (the Companies) in the Companies' Part 10 Reporting Templates listed below for the regulatory year ended 31 December 2025:

Template	Table
4. Recovered Capital	4.1 Pipeline assets (RCM) 4.2 Pipeline details
4.1 Pipeline Capex	4.1.1 Capital expenditure greater than 5% of construction cost 4.1.2 Historical expansions and extensions 4.1.3 Planned expansions and extensions of capacity

The Historical Financial Information of the Companies for the regulatory year ended 31 December 2025 has been prepared in response to the Gas Pipeline Information Disclosure requirements issued by Australian Energy Regulator (the AER) on 27 October 2023 pursuant to Part 10 of the National Gas Rules (the "Guideline") and the Basis of Preparation as prescribed by the Guideline (the "Criteria").

### Management's responsibility for the Historical Financial Information

Management is responsible for the preparation of the Historical Financial Information and has determined that the Guideline and the Basis of Preparation as prescribed by the Guideline used are appropriate to the needs of the AER. Management is also responsible for such internal control as Management determines is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to express a conclusion on the Historical Financial Information based on our review. We have 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 state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the Historical Financial Information is not prepared, in all material respects, in accordance with the Guideline and the Basis of Preparation as prescribed by the Guideline. ASRE 2405 requires us to comply with relevant ethical requirements, including those pertaining to independence.

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.



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### **Conclusion**

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information of the Companies for the regulatory year ended 31 December 2025 are not prepared, in all material respects, in accordance with the Guideline and the Basis of Preparation as prescribed by the Guideline.

### **Basis of Preparation and Restriction on Distribution**

The Historical Financial Information is prepared to assist the Companies to meet the requirements of the Guideline. As a result the Historical Financial Information may not be suitable for another purpose. Our report is intended solely for the Companies and the AER and should not be distributed to parties other than the Companies or the AER.

A handwritten signature in blue ink that reads "Ernst &amp; Young".

Ernst & Young

A handwritten signature in blue ink, appearing to be "Brett Croft".

Brett Croft  
Partner  
Melbourne  
29 May 2026



**Part 10 Financial Reporting**  
**Jemena Queensland Gas Pipeline (1) Pty Ltd**  
**Jemena Queensland Gas Pipeline (2) Pty Ltd**  
**Year ending 31/12/2025**  
**Asset value - Recovered Capital Method (RCM)**

Contents

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			
	<b>Pipeline assets</b>											
4.1PARCM_F14:BH14	Construction cost	135,917,863	100,179,545	13,360,591	22,377,727							
4.1PARCM_F15:BH15	Residual Value	11,257,953	5,210,146	116,108	118,696							
4.1PARCM_F16:BH16	Additions	300,095,038	-	-	-							
4.1PARCM_F17:BH17	Maintenance capitalised	-	-	-	-							
4.1PARCM_F18:BH18	Disposal (at cost)	(326)	-	-	-							
	Leased Asset	-	-	-	-							
	<b>Pipeline assets cost base</b>	<b>447,270,528</b>	<b>105,389,691</b>	<b>13,476,699</b>	<b>22,496,423</b>							
	<b>Shared assets</b>											
4.1PARCM_F22:BH22	Construction cost or acquisition cost (where allowed) apportioned	-	-	-	-							
4.1PARCM_F23:BH23	Residual Value	-	-	-	-							
4.1PARCM_F24:BH24	Additions	16,881,202	-	-	-							
4.1PARCM_F25:BH25	Maintenance capitalised	-	-	-	-							
4.1PARCM_F26:BH26	Disposal (at cost)	-	-	-	-							
	Leased Asset	-	-	-	-							
	<b>Shared assets cost base</b>	<b>16,881,202</b>	<b>-</b>	<b>-</b>	<b>-</b>							
	<b>Total assets</b>	<b>464,151,730</b>	<b>105,389,691</b>	<b>13,476,699</b>	<b>22,496,423</b>							
	<b>Return of capital</b>											
4.1PARCM_F31:BH31	Revenue	1,148,504,183	-	12,433,000	18,764,000							
4.1PARCM_F32:BH32	Operating expenses	(429,215,430)	-	(2,837,000)	(3,203,000)							
4.1PARCM_F33:BH33	Net tax liabilities	(5,047,815)	-	-	-							
	Leased Asset Interest/Financing Charge	-	-	-	-							
4.1PARCM_F35:BH35	Return on capital	(1,779,858,947)	-	(17,669,669)	(20,051,071)							
	<b>Total Return of Capital</b>	<b>(1,065,618,010)</b>	<b>-</b>	<b>(8,073,669)</b>	<b>(4,490,071)</b>							
	<b>Recovered capital method total asset value</b>	<b>1,529,769,740</b>	<b>105,389,691</b>	<b>21,550,367</b>	<b>26,986,494</b>							
	For information	Opening asset value		105,389,691	126,940,058							
4.1PARCM_F39:BH39	For information	Rate of return (WACC)		N/A	16.77%							

**Table 4.2: Pipeline details**

Construction date	30/06/1989
-------------------	------------

1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
121,341	124,045	126,809	129,635	132,524	135,477	138,496	141,583	144,738	147,963	151,261	154,632	158,078	161,600	165,202	168,883
-	-	-	-	-	82,599	12,250,751	283,426	15,558,802	28,162	81,403	43,817	22,488	-	-	256,986
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>121,341</b>	<b>124,045</b>	<b>126,809</b>	<b>129,635</b>	<b>132,524</b>	<b>218,076</b>	<b>12,389,247</b>	<b>425,008</b>	<b>15,704,924</b>	<b>176,125</b>	<b>232,664</b>	<b>198,449</b>	<b>180,565</b>	<b>161,600</b>	<b>165,202</b>	<b>425,869</b>
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	1,384	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	1,384	-	-	-	-	-	-	-
121,341	124,045	126,809	129,635	132,524	218,076	12,389,247	425,008	15,704,924	176,125	232,664	198,449	180,565	161,600	165,202	425,869
19,268,000	20,165,000	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	22,544,454	22,454,901	24,776,363	21,172,840
(3,400,000)	(3,225,000)	(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)	(7,275,796)	(7,646,616)	(7,970,381)	(40,117,458)
-	-	(610,602)	(1,152,841)	(949,893)	(520,763)	(807,638)	(583,954)	(422,125)	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(23,646,652)	(24,080,153)	(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)	(31,668,373)	(32,794,986)	(32,280,088)	(33,088,036)
<b>(7,778,652)</b>	<b>(7,140,153)</b>	<b>(9,340,765)</b>	<b>(8,908,309)</b>	<b>(7,797,149)</b>	<b>(3,612,381)</b>	<b>(7,576,478)</b>	<b>(9,472,141)</b>	<b>(10,200,529)</b>	<b>(12,355,332)</b>	<b>(14,005,049)</b>	<b>(14,772,227)</b>	<b>(16,399,715)</b>	<b>(17,986,700)</b>	<b>(15,474,106)</b>	<b>(52,032,654)</b>
<b>7,899,993</b>	<b>7,264,198</b>	<b>9,467,574</b>	<b>9,037,944</b>	<b>7,929,673</b>	<b>3,830,457</b>	<b>19,965,725</b>	<b>9,897,149</b>	<b>25,905,453</b>	<b>12,531,457</b>	<b>14,237,713</b>	<b>14,970,676</b>	<b>16,580,280</b>	<b>18,148,300</b>	<b>15,639,308</b>	<b>52,458,524</b>
153,926,552	161,826,545	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	296,864,564	313,444,844	331,593,145	347,232,453
15.36%	14.88%	15.41%	14.90%	13.44%	6.26%	12.29%	11.95%	11.66%	11.30%	11.23%	10.79%	10.67%	10.46%	9.73%	9.53%

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
172,647	176,494	180,427	184,448	188,559	192,761	197,056	201,448	205,937	210,526	215,218	220,014	224,917	1,307,695	1,503,820
19,433,238	93,185,572	22,614,148	2,762,636	585,294	10,880,549	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
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>19,605,884</b>	<b>93,362,066</b>	<b>22,794,575</b>	<b>2,947,084</b>	<b>773,853</b>	<b>11,073,310</b>	<b>34,231,333</b>	<b>8,383,379</b>	<b>2,654,438</b>	<b>2,915,791</b>	<b>813,068</b>	<b>3,169,490</b>	<b>4,824,246</b>	<b>5,214,808</b>	<b>2,119,066</b>
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	1,019,245	-	336,294	1,927,202	162,450	284,603	428,366	1,829,365	557,518	623,133	770,873	1,389,217	553,756	1,233,010
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	<b>1,019,245</b>	-	<b>336,294</b>	<b>1,927,202</b>	<b>162,450</b>	<b>284,603</b>	<b>428,366</b>	<b>1,829,365</b>	<b>557,518</b>	<b>623,133</b>	<b>770,873</b>	<b>1,389,217</b>	<b>553,756</b>	<b>1,233,010</b>
19,605,884	94,381,310	22,794,575	3,283,377	2,701,055	11,235,760	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
20,844,572	19,946,230	29,064,149	37,609,293	40,734,734	43,973,468	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
(11,827,407)	(3,780,761)	(10,359,487)	(15,613,908)	(16,794,058)	(17,052,583)	(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)
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(39,094,710)	(43,520,245)	(55,288,325)	(60,917,156)	(63,907,162)	(67,296,705)	(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)
<b>(30,077,545)</b>	<b>(27,354,776)</b>	<b>(36,583,663)</b>	<b>(38,921,771)</b>	<b>(39,966,486)</b>	<b>(40,375,820)</b>	<b>(43,052,491)</b>	<b>(43,302,134)</b>	<b>(47,331,411)</b>	<b>(43,495,408)</b>	<b>(53,777,436)</b>	<b>(49,750,873)</b>	<b>(45,087,276)</b>	<b>(45,004,912)</b>	<b>(50,722,578)</b>
<b>49,683,429</b>	<b>121,736,086</b>	<b>59,378,238</b>	<b>42,205,149</b>	<b>42,667,541</b>	<b>51,611,581</b>	<b>77,568,427</b>	<b>52,113,879</b>	<b>51,815,214</b>	<b>46,968,716</b>	<b>55,213,636</b>	<b>53,691,236</b>	<b>51,300,739</b>	<b>50,773,476</b>	<b>54,074,654</b>
399,690,977	449,374,406	571,110,492	630,488,730	672,693,879	715,361,420	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
9.78%	9.68%	9.68%	9.66%	9.50%	9.41%	9.01%	8.65%	8.41%	7.79%	7.62%	7.20%	6.80%	6.64%	6.98%

2023	2024	2025
-	-	-
(1,462,555)	(2,038,074)	1,629,400
1,429,697	26,991,502	33,564,980
-	-	-
(326)	-	-
-	-	-
<b>(33,183)</b>	<b>24,953,427</b>	<b>35,194,381</b>
-	-	-
-	-	-
3,352,846	743,719	1,668,222
-	-	-
-	-	-
-	-	-
<b>3,352,846</b>	<b>743,719</b>	<b>1,668,222</b>
3,319,662	25,697,147	36,862,602
52,784,018	48,682,814	56,033,372
(19,763,578)	(21,398,269)	(20,956,067)
-	-	-
-	-	-
(90,240,406)	(101,693,392)	(106,845,843)
<b>(57,219,966)</b>	<b>(74,408,847)</b>	<b>(71,768,538)</b>
<b>60,539,628</b>	<b>100,105,993</b>	<b>108,631,141</b>
1,260,492,977	1,321,032,606	1,421,138,599
7.16%	7.70%	7.52%





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 OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the OGP 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 OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the OGP 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 onwards)	Estimate	<p>Cost have not yet been incurred to decommission the pipeline, therefore an estimate is inherently required to measure future costs.</p> <p>Further the actual timing of decommissioning the pipeline is also uncertain therefore increasing the level of estimation required.</p> <p>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.</p>	<p>Expert Engineering Report</p> <p>Inflation rate: SGSPAA internal 2025 budgeted CPI</p> <p>Discount rate: 5 year average rate for 15 year Australian Government Securities (AGS) bonds</p>	<p>Negative residual value is interpreted as the present value of the forecast decommissioning cost that OGP will pay when the pipeline is removed from service in the future.</p> <p>The expert engineering report is a reasonable basis for estimating the cost to decommission the pipeline.</p> <p>The 5 year average of the 15 year AGS bonds are appropriate to estimate rate of return for present value calculation purposes.</p>	<p>Negative residual value is calculated as:</p> $PV(Decommissioning)_t = C_{T_E} \times \frac{(1+i)^{T_D - T_E}}{(1+r)^{T_D - T_E}}$ <p>Where:</p> <p>C_(T_E) is the estimated cost of decommissioning in dollars as at time T_E</p> <p>T_D is the expected year of decommissioning</p> <p>i is the estimated inflation rate</p> <p>r is the estimated discount rate</p> <p>t is the year of the estimate</p> <p>An expert Engineering report is the basis for estimating the decommissioning cost (C_(T_E)).</p> <p>Phasing of Negative Residual value</p> <p>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</p>	<p>The estimate is a best estimate because it has been calculated based on the following inputs which are sourced based on best available information:</p> <p>Independent technical engineering estimate of the cost to decommission the pipeline.</p> <p>Discount rate: 5 year average for the 15 year Australian Government Securities (AGS) bond rate.</p> <p>CPI escalation: SGSPAA internal CPI estimate (reasonable when compared with Australian Bureau of Statistics (ABS) rate).</p> <p>The pipeline's decommissioning provision reflects a bottom-up cost estimate of various remediation activities.</p> <p>Consistent with AS2885, the service provider used a risk-based approach to determine a mix of appropriate remediation activities for</p>
4.1	Pipeline assets (RCM)	4.1PARCM_F16.BH16	Pipeline assets: Additions (1989-2023)	Actual	N/A	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the OGP 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 onwards)	Actual	N/A	SAP Trial Balances and FAMR Jemena Queensland Gas Pipeline (1) Pty Ltd and Jemena Queensland Gas Pipeline (2) Pty Ltd	<p>Additions per the FAMR were cash related. All additions are incurred mid-year.</p> <p>OGP 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.</p> <p><u>Mid-point Net Capital Expenditure Gross Up</u></p> <p>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.</p> $Mid\ Point\ Gross\ Capex = Capex \times (1 + RoR\ percentage)^{0.5}$ <p>The Rate of Return (RoR) percentage input calculation methodology is further below in this table</p>	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 OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the OGP 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 onwards)	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 OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the OGP 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 onwards)	Actual	N/A	SAP Trial Balances and FAMR Jemena Queensland Gas Pipelines (1) Pty Ltd and 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 OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the OGP 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 onwards)	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 OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the OGP 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 onwards)	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 OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the OGP 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 onwards)	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.	OGP 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 OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the OGP 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 onwards)	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 OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the OGP 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 onwards)	Estimate	OGP 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 sourced 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 OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the OGP 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 onwards)	Estimate	Dependent on rate of return estimates.	Rate of return sources are explained in Item 'Return of capital: Return on capital (Rate of return)' (2025) 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)' (2025) 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 OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Estimated Information)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Source)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Assumptions)	Refer to the OGP Basis of preparation for CY 2023. (13. Recovered Capital Method – Pipeline Assets – Methodology)	Refer to the OGP 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 onwards)	Estimate	Consistent with the AER's Pipeline Information Disclosure Guideline requirements	<p>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:</p> <p><u>Gearing:</u> SGSPAA Financial Report Balance Sheet and Treasury Report.</p> <p><u>Cost of debt:</u> SGSPAA Financial Report and Treasury Report.</p> <p><u>Risk-free rate:</u> RBA Treasury Bonds – Daily – F16 Indicative mid rates of selected Australian Government Securities</p> <p><u>Equity beta:</u> Estimated from a sample of listed international comparators from OECD countries (0.89)</p>	<p><u>Gearing</u> 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.</p> <p><u>Gamma (Imputation credits)</u> 57% as determined in the AER's 2022 RoR instrument.</p> <p><u>Cost of debt (pre-tax)</u> Calculated as the SGSPAA actual portfolio cost of debt for the reporting period, consistent with the AER's Pipeline Information Disclosure Guideline.</p> <p><u>Cost of equity (post-tax)</u> <math>r_e = r_f + \beta_e(r_m - r_f)</math></p> <p>The pipeline adopts the methodology consistent with the requirements of the AER's Pipeline Information Disclosure Guidelines.</p>	<p><u>Weighted Average Cost of Capital (WACC)</u> 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.</p> $WACC^{nominal} = \frac{gearing \times r_d}{gearing} + \frac{(1 - gearing) \times r_e}{gearing}$ <p>Where <math>r_d</math> is the cost of debt, and <math>r_e</math> is the cost of equity.</p> <p><u>Gearing</u> 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.</p> <p><u>Cost of debt:</u> Cost of debt is calculated by dividing SGSPAA interest expense by SGSPAA Debt.</p> <p><u>Cost of equity</u> The cost of is estimated using the Sharpe-Lintner capital asset pricing model (S-L CAPM).</p> $r_e = r_f + \beta_e(r_m - r_f)$ <p>where: <math>r_e</math> is the cost of equity; <math>r_f</math> is the risk free rate; <math>r_m - r_f</math> is the Market Risk Premium (MRP); and <math>\beta_e</math> is the equity beta.</p>	<p>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.</p> <p>The data inputs into the WACC have been sourced from published AER accepted sources aligning to Part 10 Pipeline information disclosure guidelines.</p>
								<p><u>Equity beta:</u> 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&amp;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&amp;P, Moody's or Fitch -with liquidity (bid-ask-spread) of less than 0.5% -has gearing greater than 0%</p> <p><u>Risk-free rate:</u> 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 an averaging period during the year prior to the reporting year.</p>	
4.1	Pipeline assets (RCM)	4.1PARCM_F39:BH39	For information: Rate of return (WACC) (1989-2025)	Estimate	Impact of Rate of return components.	Items 'Return of capital: Return on capital' (2025) in this table above.	N/A	<p><u>Rate of return (WACC)</u> = 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</p>	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	<p>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.</p> <p>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.</p>

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	N/A	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.  <u>Actual</u> 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	N/A	SAP FAMR	N/A	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 Ridglands. 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. 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.	None noted
								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.	
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		N/A	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



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Ernst & Young  
8 Exhibition Street  
Melbourne VIC 3000 Australia  
GPO Box 67 Melbourne VIC 3001

Tel: +61 3 9288 8000  
Fax: +61 3 8650 7777  
ey.com/au

## **Independent Assurance Report to the Directors of Jemena Queensland Gas Pipeline (1) Pty Ltd & Jemena Queensland Gas Pipeline (2) Pty Ltd**

### **Scope**

We have been engaged by directors of Jemena Queensland Gas Pipeline (1) Pty Ltd & Jemena Queensland Gas Pipeline (2) Pty Ltd (the “Companies”) to perform a “limited assurance engagement”, as defined by Standards on Assurance Engagements, here after referred to as the engagement, to report on the Non-Financial Information (the “Subject Matter”) contained in included in the Companies’ Part 10 Reporting Templates listed below for the regulatory year ended 31 December 2025 (the “Report”):

<b>Template</b>	<b>Table</b>
5.0 Historical demand	5.1 Historical demand information 5.2 Demand by pipeline service 5.3 Daily demand

### **Information other than the Non-Financial Information and Independent Assurance Report thereon**

The Companies’ management are responsible for the other information. The other information comprises the actual and estimated historical financial information included in the above Part 10 Financial Reporting Templates but does not include the Subject Matter and our independent assurance report thereon.

**Our conclusion on the Subject Matter does not cover the other information and accordingly we do not express any form of assurance conclusion thereon within this independent assurance report.**

### **Criteria applied by the Companies**

In preparing the Subject Matter, the Companies applied the Gas Pipeline Information Disclosure requirements issued by Australian Energy Regulator (the AER) on 27 October 2023 pursuant to Part 10 of the National Gas Rules (the “Guideline”) and the Basis of Preparation as prescribed by the Guideline (the “Criteria”). Such Criteria were specifically designed for compliance with the Guideline. As a result, the Subject Matter information may not be suitable for another purpose.

### **The Companies’ responsibilities**

The Companies’ management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

### **The AER’s Responsibilities**

The AER’s management is responsible for the evaluation of the underlying Subject Matter against the applicable Criteria.



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### **EY's responsibilities**

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the Auditing and Assurance Standards Board and the terms of reference for this engagement as agreed with the Companies on 16 October 2025. That standard requires that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

### **Our independence and quality management**

We have complied with the independence and relevant ethical requirements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Description of procedures performed**

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. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the subject matter and related information, and applying analytical and other appropriate procedures.



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Our procedures included:

- ▶ conducting interviews with personnel to understand the business and reporting process.
- ▶ checking the calculation criteria have been appropriately applied in accordance with the methodologies outlined in the Criteria; and
- ▶ performing analytical review procedures to support the reasonableness of the non-financial information.

We also performed such other procedures as we considered necessary in the circumstances.

### **Conclusion**

Based on our procedures and the evidence obtained, we are not aware of any material modifications that need to be made to non-financial information contained within the above Part 10 Financial Reporting Templates of the Company's for the regulatory year ended 31 December 2025, in order for it to be in accordance with the Criteria.

### **Restriction on distribution**

This assurance report has been prepared in accordance with the requirements of the Order. Our report is intended solely for the Companies and the AER (collectively the "Recipients"), and should not be distributed to parties other than the Recipients.

A handwritten signature in blue ink that reads "Ernst &amp; Young".

Ernst & Young

A handwritten signature in blue ink, appearing to be "Brett Croft".

Brett Croft  
Partner  
Melbourne  
29 May 2026



**Part 10 Financial Reporting**  
**Jemena Queensland Gas Pipeline (1) Pty Ltd**  
**Jemena Queensland Gas Pipeline (2) Pty Ltd**  
**Year ending 31/12/2025**  
**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 5.1: Historical demand information**

Basis of Preparation ID	Description of the information	Publicly available link on Gas Bulletin Board

**Table 5.2: Demand by pipeline service**

	Contracted MDQ
	TJ/day
Firm forward haul transportation service	146
Backhaul service	-
Interruption or as available transportation service	-
Firm stand-alone compression service	-
Interruption or as available stand-alone compression service	-
Park service	-
Park and loan services	-
Capacity trading service	-
In pipe trading service	-
Other	-

**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			
<b>Total</b>	<b>53,147</b>	<b>-</b>	<b>46,710</b>	<b>-</b>	<b>20,255</b>	<b>13,818</b>	<b>6,437</b>
1/01/2025	146	-	122	182	60	37	23
2/01/2025	146	-	124	182	58	37	22
3/01/2025	146	-	124	182	58	37	21
4/01/2025	146	-	127	182	56	37	19
5/01/2025	146	-	128	182	55	37	18
6/01/2025	146	-	134	182	48	37	12
7/01/2025	146	-	131	182	51	37	14
8/01/2025	146	-	130	182	53	37	16
9/01/2025	146	-	125	182	57	37	20
10/01/2025	146	-	131	182	51	37	15
11/01/2025	146	-	124	182	58	37	21
12/01/2025	146	-	131	182	51	37	14
13/01/2025	146	-	139	182	44	37	7
14/01/2025	146	-	140	182	42	37	5
15/01/2025	146	-	138	182	44	37	8
16/01/2025	146	-	131	182	51	37	14
17/01/2025	146	-	139	182	43	37	6
18/01/2025	146	-	137	182	45	37	9
19/01/2025	146	-	134	182	48	37	11
20/01/2025	146	-	127	182	55	37	18
21/01/2025	146	-	135	182	47	37	11
22/01/2025	146	-	136	182	46	37	9
23/01/2025	146	-	133	182	50	37	13

24/01/2025	146	-	133	182	50	37	13
25/01/2025	146	-	125	182	58	37	21
26/01/2025	146	-	124	182	58	37	22
27/01/2025	146	-	126	182	56	37	19
28/01/2025	146	-	134	182	49	37	12
29/01/2025	146	-	129	182	53	37	16
30/01/2025	146	-	121	182	61	37	25
31/01/2025	146	-	131	182	52	37	15
1/02/2025	146	-	130	182	52	37	16
2/02/2025	146	-	125	182	57	37	21
3/02/2025	146	-	121	182	61	37	24
4/02/2025	146	-	136	182	46	37	10
5/02/2025	146	-	133	182	49	37	12
6/02/2025	146	-	124	182	58	37	21
7/02/2025	146	-	130	182	52	37	16
8/02/2025	146	-	129	182	53	37	16
9/02/2025	146	-	128	182	54	37	18
10/02/2025	146	-	125	182	57	37	20
11/02/2025	146	-	128	182	55	37	18
12/02/2025	146	-	126	182	56	37	19
13/02/2025	146	-	129	182	53	37	16
14/02/2025	146	-	135	182	47	37	11
15/02/2025	146	-	129	182	53	37	17
16/02/2025	146	-	130	182	52	37	16
17/02/2025	146	-	126	182	56	37	20
18/02/2025	146	-	110	182	72	37	35
19/02/2025	146	-	122	182	61	37	24
20/02/2025	146	-	120	182	62	37	25
21/02/2025	146	-	135	182	48	37	11
22/02/2025	146	-	131	182	51	37	14
23/02/2025	146	-	134	182	48	37	11
24/02/2025	146	-	145	182	37	37	0
25/02/2025	146	-	141	182	41	37	5
26/02/2025	146	-	145	182	37	37	0
27/02/2025	146	-	135	182	48	37	11
28/02/2025	146	-	132	182	51	37	14
1/03/2025	146	-	128	182	55	37	18
2/03/2025	146	-	131	182	51	37	15
3/03/2025	146	-	130	182	52	37	15
4/03/2025	146	-	131	182	51	37	14
5/03/2025	146	-	132	182	50	37	14
6/03/2025	146	-	131	182	52	37	15
7/03/2025	146	-	137	182	45	37	9
8/03/2025	146	-	134	182	48	37	12
9/03/2025	146	-	137	182	45	37	8
10/03/2025	146	-	136	182	47	37	10
11/03/2025	146	-	131	182	51	37	14
12/03/2025	146	-	128	182	55	37	18
13/03/2025	146	-	137	182	45	37	9
14/03/2025	146	-	136	182	46	37	10
15/03/2025	146	-	139	182	43	37	6
16/03/2025	146	-	144	182	38	37	2
17/03/2025	146	-	142	182	40	37	4
18/03/2025	146	-	141	182	41	37	5
19/03/2025	146	-	135	182	47	37	10
20/03/2025	146	-	136	182	46	37	9
21/03/2025	146	-	131	182	51	37	14
22/03/2025	146	-	129	182	53	37	16
23/03/2025	146	-	131	182	51	37	15
24/03/2025	146	-	133	182	49	37	13
25/03/2025	146	-	131	182	52	37	15
26/03/2025	146	-	133	182	49	37	12
27/03/2025	146	-	143	182	39	37	2
28/03/2025	146	-	142	182	40	37	3
29/03/2025	146	-	142	182	40	37	4
30/03/2025	146	-	134	182	49	37	12
31/03/2025	146	-	144	182	38	37	2
1/04/2025	146	-	138	182	44	37	7
2/04/2025	146	-	139	182	43	37	6
3/04/2025	146	-	137	182	45	37	8
4/04/2025	146	-	136	182	46	37	10
5/04/2025	146	-	134	182	48	37	11

6/04/2025	146	-	135	182	47	37	10
7/04/2025	146	-	131	182	51	37	14
8/04/2025	146	-	135	182	47	37	11
9/04/2025	146	-	135	182	47	37	10
10/04/2025	146	-	135	182	47	37	10
11/04/2025	146	-	141	182	41	37	4
12/04/2025	146	-	144	182	39	37	2
13/04/2025	146	-	143	182	39	37	3
14/04/2025	146	-	138	182	44	37	7
15/04/2025	146	-	132	182	50	37	13
16/04/2025	146	-	141	182	42	37	5
17/04/2025	146	-	144	182	38	37	1
18/04/2025	146	-	143	182	39	37	2
19/04/2025	146	-	135	182	48	37	11
20/04/2025	146	-	146	182	36	37	(0)
21/04/2025	146	-	142	182	40	37	4
22/04/2025	146	-	140	182	42	37	5
23/04/2025	146	-	133	182	49	37	13
24/04/2025	146	-	143	182	39	37	3
25/04/2025	146	-	141	182	41	37	4
26/04/2025	146	-	144	182	38	37	2
27/04/2025	146	-	144	182	38	37	2
28/04/2025	146	-	145	182	37	37	1
29/04/2025	146	-	144	182	38	37	2
30/04/2025	146	-	145	182	38	37	1
1/05/2025	146	-	149	185	37	40	(3)
2/05/2025	146	-	143	185	42	40	3
3/05/2025	146	-	133	185	52	40	12
4/05/2025	146	-	138	185	47	40	7
5/05/2025	146	-	139	185	47	40	7
6/05/2025	146	-	142	185	43	40	4
7/05/2025	146	-	140	185	45	40	6
8/05/2025	146	-	134	185	51	40	11
9/05/2025	146	-	127	185	59	40	19
10/05/2025	146	-	111	185	74	40	35
11/05/2025	146	-	139	185	46	40	6
12/05/2025	146	-	148	185	38	40	(2)
13/05/2025	146	-	145	185	40	40	1
14/05/2025	146	-	141	185	45	40	5
15/05/2025	146	-	140	185	45	40	5
16/05/2025	146	-	143	185	42	40	3
17/05/2025	146	-	139	185	46	40	6
18/05/2025	146	-	128	185	57	40	18
19/05/2025	146	-	99	185	86	40	46
20/05/2025	146	-	104	185	82	40	42
21/05/2025	146	-	105	185	81	40	41
22/05/2025	146	-	104	185	81	40	42
23/05/2025	146	-	105	185	80	40	41
24/05/2025	146	-	101	185	85	40	45
25/05/2025	146	-	98	185	88	40	48
26/05/2025	146	-	93	185	92	40	53
27/05/2025	146	-	96	185	89	40	49
28/05/2025	146	-	97	185	88	40	48
29/05/2025	146	-	91	185	95	40	55
30/05/2025	146	-	89	185	96	40	56
31/05/2025	146	-	78	185	107	40	68
1/06/2025	146	-	83	185	102	40	62
2/06/2025	146	-	87	185	98	40	58
3/06/2025	146	-	96	185	90	40	50
4/06/2025	146	-	100	185	85	40	45
5/06/2025	146	-	97	185	88	40	49
6/06/2025	146	-	100	185	85	40	45
7/06/2025	146	-	96	185	89	40	49
8/06/2025	146	-	96	185	89	40	50
9/06/2025	146	-	97	185	88	40	49
10/06/2025	146	-	97	185	89	40	49
11/06/2025	146	-	95	185	90	40	51
12/06/2025	146	-	100	185	85	40	46
13/06/2025	146	-	97	185	88	40	49
14/06/2025	146	-	99	185	86	40	46
15/06/2025	146	-	97	185	88	40	48
16/06/2025	146	-	94	185	91	40	51

17/06/2025	146	-	86	185	99	40	60
18/06/2025	146	-	78	185	107	40	68
19/06/2025	146	-	87	185	98	40	59
20/06/2025	146	-	84	185	102	40	62
21/06/2025	146	-	103	185	82	40	43
22/06/2025	146	-	105	185	80	40	40
23/06/2025	146	-	102	185	83	40	44
24/06/2025	146	-	81	185	104	40	64
25/06/2025	146	-	83	185	102	40	62
26/06/2025	146	-	84	185	101	40	62
27/06/2025	146	-	101	185	84	40	44
28/06/2025	146	-	101	185	85	40	45
29/06/2025	146	-	93	185	92	40	53
30/06/2025	146	-	95	185	90	40	51
1/07/2025	146	-	96	185	89	40	49
2/07/2025	146	-	87	185	98	40	59
3/07/2025	146	-	89	185	97	40	57
4/07/2025	146	-	97	185	89	40	49
5/07/2025	146	-	105	185	80	40	40
6/07/2025	146	-	97	185	89	40	49
7/07/2025	146	-	96	185	90	40	50
8/07/2025	146	-	90	185	95	40	56
9/07/2025	146	-	105	185	80	40	41
10/07/2025	146	-	110	185	75	40	35
11/07/2025	146	-	122	185	63	40	24
12/07/2025	146	-	124	185	61	40	22
13/07/2025	146	-	129	185	57	40	17
14/07/2025	146	-	141	185	44	40	4
15/07/2025	146	-	139	185	46	40	7
16/07/2025	146	-	134	185	51	40	11
17/07/2025	146	-	106	185	79	40	39
18/07/2025	146	-	128	185	57	40	18
19/07/2025	146	-	136	185	50	40	10
20/07/2025	146	-	136	185	49	40	9
21/07/2025	146	-	140	185	45	40	6
22/07/2025	146	-	143	185	42	40	3
23/07/2025	146	-	141	185	45	40	5
24/07/2025	146	-	133	185	52	40	13
25/07/2025	146	-	139	185	46	40	7
26/07/2025	146	-	130	185	55	40	16
27/07/2025	146	-	127	185	58	40	19
28/07/2025	146	-	120	185	65	40	25
29/07/2025	146	-	135	185	50	40	11
30/07/2025	146	-	133	185	53	40	13
31/07/2025	146	-	140	185	45	40	6
1/08/2025	146	-	137	185	48	40	9
2/08/2025	146	-	133	185	52	40	13
3/08/2025	146	-	130	185	55	40	16
4/08/2025	146	-	133	185	52	40	13
5/08/2025	146	-	137	185	49	40	9
6/08/2025	146	-	138	185	47	40	8
7/08/2025	146	-	137	185	48	40	9
8/08/2025	146	-	131	185	54	40	15
9/08/2025	146	-	130	185	55	40	15
10/08/2025	146	-	129	185	56	40	17
11/08/2025	146	-	131	185	54	40	15
12/08/2025	146	-	126	185	59	40	19
13/08/2025	146	-	127	185	58	40	18
14/08/2025	146	-	132	185	53	40	13
15/08/2025	146	-	129	185	56	40	16
16/08/2025	146	-	132	185	53	40	14
17/08/2025	146	-	114	185	71	40	31
18/08/2025	146	-	131	185	54	40	14
19/08/2025	146	-	128	185	57	40	17
20/08/2025	146	-	132	185	53	40	14
21/08/2025	146	-	134	185	51	40	12
22/08/2025	146	-	141	185	45	40	5
23/08/2025	146	-	139	185	46	40	6
24/08/2025	146	-	140	185	45	40	5
25/08/2025	146	-	139	185	46	40	6
26/08/2025	146	-	134	185	51	40	11
27/08/2025	146	-	137	185	48	40	9

28/08/2025	146	-	135	185	51	40	11
29/08/2025	146	-	139	185	47	40	7
30/08/2025	146	-	135	185	50	40	10
31/08/2025	146	-	133	185	52	40	12
1/09/2025	146	-	137	185	48	40	9
2/09/2025	146	-	133	185	52	40	13
3/09/2025	146	-	129	185	57	40	17
4/09/2025	146	-	130	185	55	40	15
5/09/2025	146	-	134	185	51	40	11
6/09/2025	146	-	121	185	65	40	25
7/09/2025	146	-	138	185	47	40	7
8/09/2025	146	-	126	185	60	40	20
9/09/2025	146	-	139	185	47	40	7
10/09/2025	146	-	134	185	51	40	11
11/09/2025	146	-	135	185	51	40	11
12/09/2025	146	-	132	185	53	40	14
13/09/2025	146	-	135	185	50	40	11
14/09/2025	146	-	139	185	46	40	7
15/09/2025	146	-	147	185	39	40	(1)
16/09/2025	146	-	148	185	37	40	(2)
17/09/2025	146	-	138	185	47	40	8
18/09/2025	146	-	131	185	54	40	15
19/09/2025	146	-	137	185	48	40	9
20/09/2025	146	-	132	185	53	40	14
21/09/2025	146	-	139	185	46	40	7
22/09/2025	146	-	146	185	39	40	(0)
23/09/2025	146	-	131	185	54	40	15
24/09/2025	146	-	142	185	44	40	4
25/09/2025	146	-	141	185	44	40	5
26/09/2025	146	-	130	185	55	40	15
27/09/2025	146	-	142	185	43	40	4
28/09/2025	146	-	141	185	45	40	5
29/09/2025	146	-	139	185	46	40	6
30/09/2025	146	-	131	185	54	40	14
1/10/2025	146	-	134	185	51	40	12
2/10/2025	146	-	147	182	35	37	(1)
3/10/2025	146	-	148	182	34	37	(3)
4/10/2025	146	-	145	182	37	37	1
5/10/2025	146	-	141	182	41	37	4
6/10/2025	146	-	126	182	56	37	19
7/10/2025	146	-	138	182	44	37	7
8/10/2025	146	-	140	182	42	37	6
9/10/2025	146	-	137	182	45	37	8
10/10/2025	146	-	134	182	48	37	11
11/10/2025	146	-	131	182	51	37	14
12/10/2025	146	-	132	182	50	37	14
13/10/2025	146	-	129	182	53	37	17
14/10/2025	146	-	130	182	52	37	16
15/10/2025	146	-	131	182	51	37	14
16/10/2025	146	-	121	182	61	37	25
17/10/2025	146	-	135	182	48	37	11
18/10/2025	146	-	131	182	51	37	14
19/10/2025	146	-	135	182	47	37	11
20/10/2025	146	-	134	182	48	37	12
21/10/2025	146	-	135	182	47	37	11
22/10/2025	146	-	135	182	47	37	11
23/10/2025	146	-	126	182	56	37	19
24/10/2025	146	-	137	182	45	37	9
25/10/2025	146	-	140	182	42	37	6
26/10/2025	146	-	138	182	44	37	8
27/10/2025	146	-	144	182	39	37	2
28/10/2025	146	-	144	182	38	37	2
29/10/2025	146	-	140	182	42	37	6
30/10/2025	146	-	143	182	39	37	2
31/10/2025	146	-	142	182	41	37	4
1/11/2025	146	-	142	182	40	37	4
2/11/2025	146	-	140	182	42	37	5
3/11/2025	146	-	140	182	42	37	5
4/11/2025	146	-	138	182	45	37	8
5/11/2025	146	-	119	182	64	37	27
6/11/2025	146	-	128	182	54	37	18
7/11/2025	146	-	139	182	43	37	6

8/1/2025	146	-	144	182	38	37	2
9/1/2025	146	-	132	182	50	37	13
10/1/2025	146	-	137	182	45	37	8
11/1/2025	146	-	137	182	45	37	8
12/1/2025	146	-	131	182	51	37	15
13/1/2025	146	-	139	182	43	37	7
14/1/2025	146	-	138	182	44	37	7
15/1/2025	146	-	139	182	43	37	7
16/1/2025	146	-	139	182	43	37	7
17/1/2025	146	-	135	182	47	37	11
18/1/2025	146	-	132	182	50	37	13
19/1/2025	146	-	129	182	53	37	16
20/1/2025	146	-	130	182	53	37	16
21/1/2025	146	-	131	182	51	37	14
22/1/2025	146	-	127	182	56	37	19
23/1/2025	146	-	130	182	52	37	16
24/1/2025	146	-	130	182	52	37	15
25/1/2025	146	-	109	182	73	37	36
26/1/2025	146	-	127	182	55	37	19
27/1/2025	146	-	121	182	61	37	24
28/1/2025	146	-	126	182	56	37	19
29/1/2025	146	-	134	182	48	37	12
30/1/2025	146	-	134	182	48	37	12
1/12/2025	146	-	132	182	50	37	13
2/12/2025	146	-	126	182	56	37	19
3/12/2025	146	-	131	182	51	37	14
4/12/2025	146	-	136	182	47	37	10
5/12/2025	146	-	132	182	50	37	14
6/12/2025	146	-	133	182	49	37	13
7/12/2025	146	-	131	182	51	37	15
8/12/2025	146	-	130	182	52	37	16
9/12/2025	146	-	130	182	52	37	16
10/12/2025	146	-	129	182	53	37	16
11/12/2025	146	-	128	182	54	37	17
12/12/2025	146	-	129	182	53	37	17
13/12/2025	146	-	126	182	56	37	20
14/12/2025	146	-	122	182	60	37	24
15/12/2025	146	-	114	182	68	37	32
16/12/2025	146	-	123	182	59	37	22
17/12/2025	146	-	125	182	58	37	21
18/12/2025	146	-	129	182	53	37	16
19/12/2025	146	-	129	182	53	37	16
20/12/2025	146	-	124	182	58	37	21
21/12/2025	146	-	129	182	53	37	17
22/12/2025	146	-	130	182	52	37	15
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24/12/2025	146	-	126	182	56	37	19
25/12/2025	146	-	124	182	58	37	21
26/12/2025	146	-	128	182	54	37	17
27/12/2025	146	-	130	182	52	37	15
28/12/2025	146	-	128	182	54	37	18
29/12/2025	146	-	124	182	58	37	21
30/12/2025	146	-	126	182	57	37	20
31/12/2025	146	-	126	182	56	37	19

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
Table 5.1	Historical Demand Information	N/A	Historical demand information	N/A	N/A	N/A	N/A	N/A	N/A
Table 5.2	Demand by pipeline service	N/A	Contracted MDQ: TJ/day	Actual	N/A	PypIT	N/A	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
Table 5.3	Daily demand	N/A	Contracted firm capacity-transportation Contracted firm capacity-storage Utilised capacity Pipeline nameplate capacity	Actual	N/A	PypIT	N/A	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). <u>Contracted firm capacity – transportation</u> The contracted firm capacity (transportation) per day was calculated as the sum of daily contracted MDQ of each contracted firm active transportation service. <u>Contracted firm capacity – storage</u> The pipeline does not provide any storage services which constitute 'contracted capacity' <u>Utilised capacity</u> 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 services. <u>Pipeline nameplate capacity</u> 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



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Ernst & Young  
8 Exhibition Street  
Melbourne VIC 3000 Australia  
GPO Box 67 Melbourne VIC 3001

Tel: +61 3 9288 8000  
Fax: +61 3 8650 7777  
ey.com/au

## **Independent Assurance Report to the Directors of Jemena Queensland Gas Pipeline (1) Pty Ltd & Jemena Queensland Gas Pipeline (2) Pty Ltd**

### **Scope**

We have been engaged by Jemena Queensland Gas Pipeline (1) Pty Ltd & Jemena Queensland Gas Pipeline (2) Pty Ltd (the “Companies”) to perform a limited assurance engagement, as defined by Standards on Assurance Engagements, (hereafter referred to as “the engagement”), to report on the Cost Allocation Methodology that outlines the cost allocation principles and methods (the “Subject Matter”) that is included in the Companies’ Part 10 Reporting Templates for the regulatory year ended 31 December 2025 (the “Report”).

### **Information other than the Financial Information and Independent Assurance Report thereon**

The Companies’ management are responsible for the other information. The other information comprises the actual and estimated historical financial information included in the above Part 10 Financial Reporting Templates but does not include the Subject Matter and our independent assurance report thereon.

Our conclusion on the Subject Matter does not cover the other information and accordingly we do not express any form of assurance conclusion thereon within this independent assurance report.

### **Criteria applied by the Companies**

In preparing the Subject Matter, the Companies applied the Gas Pipeline Information Disclosure requirements issued by Australian Energy Regulator (the AER) on 27 October 2023 pursuant to Part 10 of the National Gas Rules (the “Guideline”) and the principles set out in Rule 103(4) of the National Gas Rules (the NGR) (the “Criteria”). Such Criteria were specifically designed for compliance with the Guideline. As a result, the Subject Matter information may not be suitable for another purpose.

### **The Companies’ responsibilities**

The Companies’ management is responsible for presenting the Subject Matter in accordance with the Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

### **EY’s responsibilities**

Our responsibility is to express a limited assurance conclusion as to whether the Subject Matter has been properly prepared in accordance with the Criteria based on the evidence we have obtained.

We conducted our engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the Auditing and Assurance Standards Board and the terms of reference for this engagement as agreed with the Companies on 16 October 2025. That standard requires that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.



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### **Our independence and quality management**

We have complied with the independence and relevant ethical requirements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Description of procedures performed**

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. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information, and applying analytical and other appropriate procedures.

Our procedures included:

- ▶ Enquiries with management to understand the internal controls, governance structure and reporting process in relation to the Cost Allocation Methodology;
- ▶ Review of relevant documentation including the Cost Allocation Methodology prepared by the Companies;
- ▶ Walkthroughs and review the cost allocation process undertaken using the Cost Allocation Methodology; and
- ▶ Evaluating the appropriateness of the Cost Allocation Methodology in accordance with the Criteria.

We also performed such other procedures as we considered necessary in the circumstances.

### **Conclusion**

Based on our procedures and the evidence obtained, nothing has come to our attention that causes us to believe that the Cost Allocation Methodology has not been, in all material respects, properly prepared in accordance with the Part 10 of the National Gas Rules and the principles set out in Rule 103(4) of the National Gas Rules. for the regulatory year ended 31 December 2025.



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**Restriction on distribution**

This assurance report has been prepared in accordance with the requirements of the Order. Our report is intended solely for the Companies and the AER (collectively the "Recipients") and should not be distributed to parties other than the Recipients.

A handwritten signature in blue ink that reads "Ernst &amp; Young".

Ernst & Young

A handwritten signature in blue ink, appearing to be "Brett Croft".

Brett Croft  
Partner  
Melbourne  
29 May 2026

# Queensland Gas Pipeline

## QGP Cost Allocation Methodology

Public

This information was last updated on 29/5/2026, is current as of that date and replaces all previous versions.

29 May 2026



An appropriate citation for this paper is:

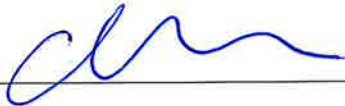
QGP Cost Allocation Methodology

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**Authorisation**

Name	Job Title	Date	Signature
Approved by:			
Nurcan Hasan	General Manager, Business Performance	29 May 2026	

**History**

Rev No	Date	Description of changes	Author
1.0	27 June 2025	Initial version	Anthony Walker
1.1	29 May 2026	Revised version	Anthony Walker

**Owning Functional Area**

Business Function Owner:	Commercial Finance Energy Markets
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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 2025 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. **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.
3. **Park and loan services**: An offering that allows shippers to temporarily store or borrow natural gas on the pipeline 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.
4. **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.

**Third party works safety supervision**: The supervision by Jemena of third party works in the vicinity of the pipeline, to ensure the safety and integrity of Jemena's assets.

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 ( <b>CATS</b> ) 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 the direct spend profile of 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
<ul style="list-style-type: none"> <li>• Office of the Managing Director</li> <li>• Corporate Strategy</li> <li>• Finance</li> <li>• Digital (Information and Technology Services)</li> <li>• People, Safety and Governance</li> <li>• Procurement, Property and Fleet</li> <li>• Regulatory</li> </ul>

### 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
<ul style="list-style-type: none"> <li>• Pipeline management activities relating to the QGP asset</li> <li>• Design and service engineering, technical asset management, compliance and risk activities relating to the asset</li> <li>• Pipeline marketing and other commercial activities</li> </ul>

## 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

