



ANNO DECIMO SEXTO

ELIZABETHAE II REGINAE

A.D. 1967

No. 3 of 1967

An Act to make provision for the establishment of an authority to be known as the Natural Gas Pipelines Authority of South Australia; to confer on the authority power to construct and operate pipelines for the conveyance of natural gas and derivatives thereof in South Australia and to do things incidental or in relation thereto; and for other purposes.

[Assented to 23rd March, 1967.]

BE IT ENACTED by the Governor of the State of South Australia, with the advice and consent of the Parliament thereof, as follows :

- Short title.** **1.** This Act may be cited as the "Natural Gas Pipelines Authority Act, 1967".
- Commence-
ment.** **2.** This Act shall come into operation on a day to be fixed by proclamation.
- Interpretation.** **3.** (1) In this Act, unless the contrary intention appears—
 "deputy" means deputy appointed to act for a member under subsection (6) of section 4 of this Act :
 "land" includes any estate or interest in land and any easement, right, power or privilege in, under, over, affecting, or in connection with, land :
 "member" means member of the Authority and includes a deputy when acting for a member :

“natural gas” means—

- (a) any naturally occurring hydrocarbon in a gaseous state ;
- (b) any naturally occurring mixture of hydrocarbons in a gaseous state ;
- (c) any naturally occurring mixture of one or more hydrocarbons in a gaseous state and one or more of the following gases, namely, hydrogen sulphide, nitrogen, helium and carbon dioxide ;

or

- (d) any naturally occurring one, or mixture of two or more, of the following gases, namely, hydrogen sulphide, nitrogen, helium and carbon dioxide :

“pipeline” means a pipe or system of pipes for conveying natural gas or any derivative thereof and includes all apparatus and equipment incidental thereto or used or intended to be used in connection therewith :

“producer company” means any body corporate that is the holder of an oil mining licence or a petroleum production licence granted under any Act and, on the recommendation of the Minister of Mines, is declared by proclamation to be a producer company for the purposes of this Act, and includes each of the bodies corporate, Delhi Australian Petroleum Ltd. and Santos Limited, but does not include any body corporate whatsoever that has, on the recommendation of the Minister of Mines, been declared by proclamation to have ceased to be a producer company for the purposes of this Act :

“the Authority” means the Natural Gas Pipelines Authority of South Australia constituted pursuant to this Act :

“the chairman” means the chairman of the Authority and includes a deputy or acting chairman of the Authority when acting as chairman of the Authority :

“the Minister” means the Minister of the Crown to whom the administration of this Act is for the time being committed by the Governor, and includes any Minister of the Crown for the time being discharging the duties of the office of that Minister.

(2) The Governor may, on the recommendation of the Minister of Mines, by proclamation, declare any body corporate that is the holder of an oil mining licence or a petroleum production licence granted under any Act to be a producer

company for the purposes of this Act, and may, on the like recommendation, declare any body corporate that is a producer company to have ceased to be a producer company for the purposes of this Act.

The Authority.

4. (1) There shall be an authority which shall be called the "Natural Gas Pipelines Authority of South Australia".

(2) Subject to this Act, the Authority—

- (a) shall be a body corporate with perpetual succession and a common seal ;
- (b) shall be capable of suing and being sued, and of taking or acquiring, taking or letting out on lease, holding, selling and otherwise disposing of land and property of all kinds ;
- (c) shall hold all its property for and on behalf of the Crown ;

and

- (d) shall have the powers, duties, functions and authorities conferred, imposed or prescribed by or under this Act.

(3) All courts and persons acting judicially shall take judicial notice of the common seal of the Authority affixed to any document and shall presume that it was duly affixed.

(4) Subject to this Act, the Authority shall consist of six members appointed by the Governor of whom—

- (a) two (one of whom shall be appointed the chairman) shall be appointed on the recommendation of the Minister ;
- (b) one shall be appointed on the nomination of the Electricity Trust of South Australia ;
- (c) one shall be appointed on the nomination of the South Australian Gas Company ;

and

- (d) two shall be appointed on the nomination of the producer company, if only one, or, if more than one, on the joint nomination of the producer companies.

(5) Whenever a nomination is required for the appointment of a member or the appointment of a deputy to act for a member, the Minister may, by written notice addressed to the Trust or the company or companies required to make the nomination, request it or them to make the nomination within

twenty-one days after the date of the notice or any longer time specified in the notice, and if no nomination is made pursuant to that request, the Governor may, on the recommendation of the Minister, appoint some person, whom the Minister thinks fit, to be a member of the Authority in place of the person who was required to be nominated and the person so appointed shall for all purposes be deemed to have been duly appointed in place of that person accordingly.

(6) When any member is unable to perform his duties as such or is acting or is about to act as the deputy of the chairman for any period, the Governor may at any time, upon the recommendation or nomination of the Minister, or the body or bodies on whose recommendation that member was appointed, appoint a deputy to act for that member during that period or any part thereof and a person so appointed shall while so acting, be deemed to be a member and any person so appointed to be deputy of the chairman shall, while so acting, be deemed to be the chairman.

(7) The Public Service Act, 1936-1966, shall not apply to or in relation to the appointment of a member of the Authority and a member shall not, as such be subject to that Act.

(8) The office of member of the Authority may be held in conjunction with any other appointment or office under the Government.

5. (1) Subject to this section a member shall be appointed for a term of office of five years but, of the six persons to become the first members of the Authority—

Tenure of
office.

- (a) the member who is to become the chairman shall be appointed for a term of office expiring on the thirty-first day of October, 1972 ;
- (b) the other member to be appointed on the recommendation of the Minister shall be appointed for a term of office expiring on the thirty-first day of October, 1968 ;
- (c) the member to be appointed on the nomination of the Electricity Trust of South Australia shall be appointed for a term of office expiring on the thirty-first day of October, 1970 ;
- (d) the member to be appointed on the nomination of the South Australian Gas Company shall be appointed for a term of office expiring on the thirty-first day of October, 1968 ;

(e) one of the two members to be appointed on the nomination or the joint nomination of the producer company or producer companies, and who shall be selected in such manner as the Governor thinks fit, shall be appointed for a term of office expiring on the thirty-first day of October, 1969 ;

and

(f) the other member to be appointed on the nomination or the joint nomination of the producer company or producer companies shall be appointed for a term of office expiring on the thirty-first day of October, 1971.

(2) On the expiration of his term of office as a member, a person shall, subject to subsection (4) of section 4 of this Act, be eligible for re-appointment as a member.

(3) The Governor may, by notice in writing served on a member, remove him from office if the Governor is satisfied that he ought not to remain a member of the Authority.

(4) The office of a member shall become vacant if—

(a) he dies or his term of office expires ;

(b) he resigns by written notice given to the Minister ;

(c) he is removed from office by the Governor pursuant to subsection (3) of this section ;

(d) without the leave of the Authority he fails to attend three consecutive meetings of the Authority ;

or

(e) he becomes bankrupt, applies to take the benefit of any law for the relief of bankrupt or insolvent persons or compounds with his creditors.

(5) On the occurrence of any vacancy in the office of a member, a person eligible under this Act for appointment as a member shall, in accordance with this Act, be appointed to fill the vacancy, but where a vacancy in the office of a member occurs before the expiration of that member's term of office, any member to be appointed to fill that vacancy shall be appointed only for the balance of the term of office of the member in whose place he is appointed.

6. (1) The chairman of the Authority shall preside at every meeting of the Authority at which he is present.

Proceedings
of the
Authority.

(2) If the office of chairman of the Authority is vacant, or the person appointed as chairman and the deputy (if any) of the chairman are not present at a meeting of the Authority, a member elected by the members present at that meeting shall act for, and have all the powers of, the chairman for that meeting.

(3) Four members shall constitute a quorum at any meeting of the Authority for the transaction of business and no business shall be transacted at any such meeting unless a quorum is present.

(4) On any matter before a meeting of the Authority—

(a) the decision of the majority of the votes cast by the members present at the meeting shall be the decision of the Authority ;

and

(b) the chairman shall have a deliberative vote and, in the case of an equality of votes, a second or casting vote also.

(5) An act or proceeding of the Authority shall not be invalid solely on the ground that there was at the time thereof a vacancy in the office of any member ; and shall, notwithstanding the subsequent discovery that there was a defect in the recommendation, nomination or appointment of a member, or that a member was not entitled to act as such, be as valid and effectual as if the member was duly recommended or nominated, and was duly appointed and was entitled to act as a member.

(6) No liability shall attach to any member for any act or omission by him in good faith and in the exercise of his powers or functions or in the discharge of his duties under this Act.

(7) Subject to this Act, the business of the Authority shall be conducted in such manner as the Authority may determine.

(8) The Authority shall hold its first meeting on such day and at such time and place as the Minister appoints.

7. (1) The common seal of the Authority shall be kept in the custody of such member or officer of the Authority as the Authority determines and shall not be affixed to any instrument except in pursuance of a resolution of the Authority.

Common Seal
of the
Authority.

(2) The affixing of the common seal to any instrument executed by the Authority shall be attested by the signatures of any two members or by the signatures of one member and an officer of the Authority duly authorized in that behalf by the Authority.

Remuneration
of members.

8. The chairman and other members shall be entitled to receive from the funds of the Authority remuneration, allowances and other emoluments at such rates as are fixed by the Governor.

Powers to
appoint
officers and
servants, etc.

9. (1) The Authority may appoint its officers and servants for the purposes of this Act.

(2) The officers and servants so appointed shall be entitled to receive from the Authority such remuneration, allowances and other emoluments as the Authority from time to time determines, and shall not in relation to their respective offices or positions be subject to the Public Service Act, 1936-1966.

(3) The Authority may, with the approval of the Minister and the consent of the Minister controlling any department of the public service of the State, and on such terms as may be mutually arranged, make use of the services of any of the officers or employees of that department.

(4) The Authority may—

(a) pay such pensions and other benefits to its officers and servants or their widows, widowers, children or dependants as it deems proper ;

(b) contribute such sums as it thinks fit to any fund established for the purpose of providing pensions and other benefits for its officers and servants, their widows, widowers, children and dependants ;

and

(c) make with the South Australian Superannuation Fund Board and give effect to any arrangement of a kind referred to in section 3a of the Superannuation Act, 1926-1966.

Powers and
functions
of the
Authority.

10. (1) Subject to this Act, but without limiting the generality of paragraph (b) of subsection (2) of section 4 of this Act, the Authority may—

(a) construct, reconstruct or install or cause to be constructed, reconstructed or installed pipelines for conveying natural gas or any derivative thereof within this State and natural gas storage facilities connected therewith ;

- (b) purchase, take on lease or otherwise by agreement acquire any existing pipeline and sell or otherwise dispose of any pipeline owned by the Authority ;
- (c) hold, maintain, develop and operate any pipeline owned by or under the control of the Authority and convey and deliver through such pipeline natural gas and any derivative thereof ;
- (d) make such charges and impose such fees for the conveyance or delivery of natural gas or any derivative thereof through any such pipeline as it may, with the approval of the Minister, determine ;
- (e) purchase, take on lease, or otherwise by agreement, acquire, hold, maintain, develop and operate any natural gas storages and the necessary facilities apparatus and equipment for their operation ;
- (f) for purposes of selling or otherwise disposing of the same, purchase or otherwise acquire and store natural gas or any derivative thereof ;
- (g) sell or otherwise dispose of natural gas or any derivative thereof so purchased or acquired ;
- (h) purify and process natural gas or any derivative thereof and treat natural gas or any derivative thereof for the removal of substances forming part thereof or with which it is mixed ;
- (i) for its own use and consumption, purchase or otherwise acquire and store natural gas or any derivative thereof or any other kind of fuel ;
- (j) invest its funds by deposit with the Treasurer or in such other manner as the Treasurer approves ;

and

- (k) enter into contracts and do anything incidental or ancillary to all or any of the foregoing powers.

(2) The Authority shall not—

- (a) construct, reconstruct, install or cause to be constructed, reconstructed or installed any pipeline unless the route thereof has been approved by the Governor ;

or

- (b) do, or enter into any contracts to do, any of the things referred to in paragraph (e), (f), (g) or (h) of subsection (1) of this section without the approval of the Minister given, generally or in any special

case, on his being satisfied that it is necessary or desirable to do such thing in order to protect the interests of the Authority or to promote or assist in the operation of any pipeline owned by or under the control of the Authority.

(3) Subject to this section, the Authority may—

(a) construct or install or cause to be constructed or installed any pipeline across or along any road or bridge ;

and

(b) break up the soil or pavement of any road, bridge and open and break up sewers, drains or tunnels within or under any road and lay down and place pipes and other works incidental to or necessary for the purposes of any pipeline and, from time to time, repair, alter or remove the same.

(4) Before the Authority proceeds to construct or install or cause to be constructed or installed any pipeline across or along any road or bridge or to open or break up any road, bridge, sewer, drain or tunnel, the Authority shall give to the persons under whose control or management such road, bridge, sewer, drain or tunnel may be notice in writing of its intention to carry out such work not less than seven days before such work is begun, except in cases of emergency arising from defects in a pipeline or other works, and then so soon as is possible after the commencement of the work or the necessity for the same had arisen.

(5) The Authority shall not carry out or cause to be carried out any work involving the breaking or opening up of any road, bridge, sewer, drain or tunnel or involving the use of any bridge or property the control or management of which is vested in any other person except under the superintendence of such person or some other person approved by him and according to such plan as is approved by or on behalf of such person or, in case of any difference arising in respect of any plan between the Authority and such person, according to such plan as is approved by the Governor.

(6) The Authority shall take all steps necessary to ensure that the minimum amount of damage is done in the execution of the powers conferred on it by this Act and shall make compensation for any damage that may be done in the execution of such powers and shall, as soon as practicable, reinstate and make good any road, bridge or pavement or any sewer, drain or tunnel broken or opened up by the Authority.

(7) The Authority shall, at all times whilst any road, bridge or pavement is broken or opened up by the Authority, cause the same to be guarded, and shall cause a light sufficient for the warning of persons to be set up and kept there for every night during which the same continues open or broken up.

(8) The Authority shall, after reinstating and making good any road, bridge or pavement or any sewer, drain or tunnel as required under subsection (6) of this section, keep the same in good repair for six months thereafter.

11. (1) The Mining (Petroleum) Act, 1940-1963, (as amended from time to time) and the regulations thereunder shall, so far as they are applicable, extend and apply to the Authority except to the extent that the Authority is, by proclamation, exempted from the operation thereof.

Application of
Mining
(Petroleum)
Act, 1940-1963.

(2) The Governor may, by proclamation exempt the Authority from the operation of all or any of the provisions of the Mining (Petroleum) Act, 1940-1963, (as amended from time to time) and the regulations thereunder.

12. (1) With the approval of the Governor, the Authority may, either by agreement or compulsorily, acquire or take land for the purpose of constructing or operating a pipeline or natural gas storage facilities connected or to be connected with a pipeline and for any other purposes of this Act.

Power of
Authority
to acquire
land.

(2) The Compulsory Acquisition of Land Act, 1925-1966 (except section 49 thereof) is hereby incorporated with this Act and shall apply and have effect in relation to the compulsory acquisition or taking of land under this section by the Authority as if—

- (a) this Act were the special Act referred to in that Act ;
- (b) the purposes for which land may be acquired or taken under this Act were the works or undertaking authorized to be executed by such special Act ;
- (c) the Authority were the promoters of the undertaking ;
- and
- (d) land required by the Authority for the purposes mentioned in paragraph (b) of this subsection were land required for the purposes of this Act.

(3) The Authority shall not, without the approval of the Governor, sell, transfer or convey any land or let any land out on lease for a period exceeding five years.

Authority to convey natural gas in certain cases.

13. (1) If a pipeline operated by the Authority is capable of conveying natural gas or any derivative thereof of any kind when delivered into the pipeline, the Authority shall, to the extent that it is not precluded from doing so by reason of any existing and accruing liabilities and obligations of the Authority under any agreement or otherwise for the conveyance through the pipeline of natural gas or any derivative thereof, if required by—

(a) a person who being the holder of an oil mining licence or a petroleum production licence granted under any Act is producing natural gas or any derivative thereof of that kind ;

(b) a person who is a gas supplier within the meaning of the Gas Act, 1924-1965, of natural gas or any derivative thereof of that kind ;

or

(c) any person who has purchased natural gas or any derivative thereof of that kind from a person referred to in paragraph (a) or paragraph (b) of this section,

upon delivery of the natural gas or derivative thereof of that kind into the pipeline, convey that natural gas or derivative by means of that pipeline upon such terms and conditions as are from time to time agreed between the Authority and such person or, in default of such agreement, as are determined by the Minister ; and where such terms and conditions are determined by the Minister, the Authority and such persons are bound thereby and each of them is entitled to recover from the other in a court of competent jurisdiction damages for any loss suffered by reason of that other's breach of, or non compliance with, any such term or condition.

Power of Authority to borrow money, etc.

14. (1) The Authority may borrow money from the Treasurer or, with the consent of the Treasurer, from any person—

(a) to provide capital for the construction, purchase, acquisition or operation of any pipeline or natural gas storage field and necessary facilities, apparatus and equipment for its or their operation, or for the purchase, acquisition or taking of any land for the purposes of this Act ;

or

(b) to satisfy any liability of the Authority.

(2) The Authority may issue debentures to secure the repayment of any money borrowed by it pursuant to subsection (1) of this section and all interest due thereon.

(3) Any amount borrowed by the Authority with interest thereon shall be a first charge on all the property and revenue, whether accrued or still to accrue, of the Authority.

(4) The due repayment of all principal sums so borrowed by the Authority and the payment of all interest secured by any debenture issued by the Authority is hereby guaranteed by the Government of South Australia.

(5) The Treasurer is hereby authorized—

(a) out of moneys received by the State from the Commonwealth for the purpose, and out of other moneys to be appropriated by Parliament for the purpose, to make advances by way of loan to the Authority, for any of the purposes mentioned in subsection (1) of this section, subject to such terms and conditions as he thinks fit ;

and

(b) to pay out of the General Revenue of the State any sum required for fulfilling any guarantee referred to in subsection (4) of this section, and this section, without further appropriation is sufficient authority for any such payment and any sum paid under this paragraph shall, when moneys are properly available for the purpose, be repaid by the Authority to the Treasurer and, when so repaid, shall form part of the General Revenue of the State.

15. (1) The Authority shall, when so required by the Treasurer, and in such manner as the Treasurer approves, pay to the Treasurer such amount as shall be certified by the Auditor-General to be the amount of expenditure incurred by the Government of the State on and in connection with feasibility surveys and other matters in preparation for the proposed pipeline or pipelines from the natural gas fields at Gidgealpa and Moomba in the State which have been carried out under the authority of the Premier, the Minister of Mines or any other Minister of the Crown given prior to the constitution of the Authority.

Special
obligations
and powers
of the
Authority.

(2) The Authority shall honour and discharge every liability of the Government of the State under any contract, undertaking or commitment made before the constitution of the Authority on behalf of the Government, under the authority of the Premier, the Minister of Mines or any other Minister of the Crown with any party in relation to the proposed pipeline or pipelines from the natural gas fields at Gidgealpa and Moomba aforesaid and such contract, undertaking or commitment shall

for all purposes be construed as if the Authority itself had made that contract, undertaking or commitment with the other parties thereto and the other parties thereto had made such contract, undertaking or commitment with the Authority accordingly.

(3) Out of any profits accrued or accruing to the Authority, the Authority may, with the approval of the Treasurer, make payments to the Electricity Trust of South Australia, to the South Australian Gas Company and to any other like authority approved for the purpose by the Minister, or to any of them, by way of rebate or drawback on charges made or being made against them, or against it, by the Authority or some other person in connection with the conveyance or supply of natural gas or any derivative thereof through any pipeline owned by or under the control of the Authority.

(4) If, from any report and accounts of the Authority presented to the Minister as required by section 16 of this Act, it appears to the Treasurer that, out of the net accumulated profits of the Authority, the Authority ought to make any payments or any further payments under subsection (3) of this section, the Treasurer may appoint a committee consisting of the chairman, the Auditor-General and the Under Treasurer and call for a report and recommendations thereon from the committee and, after considering such report and recommendations, the Treasurer may require the Authority to make such payments or further payments under subsection (3) of this section out of its net accumulated profits as to him may seem proper and the Authority shall, within three months after being so required, make such payments or further payments accordingly.

**Annual report,
accounts and
audit.**

16. (1) The Authority shall on or before the thirty-first day of October in each year, commencing from the year 1968, prepare and present to the Minister a report on its operations during the period of twelve months ended on the thirtieth day of June in that year, or, in the case of its first report, during the period commencing on the date of its first meeting and ending on the thirtieth day of June, 1968.

(2) The Authority shall keep proper accounts showing accurately and in detail all its financial transactions, assets and liabilities and shall in each year not later than the thirty-first day of October prepare a profit and loss account for the period of twelve months, or part thereof, ending on the thirtieth day of June in that year, during which period or part of which period the Authority had carried on business, and a balance-sheet showing its assets and liabilities as at that thirtieth day of June.

(3) The profit and loss account and the balance-sheet shall be included in the report referred to in subsection (1) of this section.

(4) The Auditor-General shall audit the accounts and balance-sheet of the Authority and report thereon annually to the Minister who shall cause that report and the report of the Authority referred to in subsection (1) of this section to be laid before both Houses of Parliament as soon as practicable after the receipt thereof.

(5) The provisions of section 41 of the Audit Act, 1921-1959, as amended, shall apply and have effect as if the Authority were a public corporation referred to in that section.

(6) The Authority shall pay to the Treasurer as a fee for every audit carried out by the Auditor-General such sum as the Treasurer thinks reasonable.

17. (1) Any land which is held under a lease granted under the Crown Lands Act, 1929-1966, or the Pastoral Act, 1936-1966, and which may be resumed thereunder for any public work or public purpose, may be resumed thereunder also for any of the purposes of this Act as if such purpose were a public work or public purpose.

Power to resume land under Crown or pastoral lease and of bodies corporate to grant to Authority easements, etc., for pipelines.

(2) Notwithstanding anything contained in any Act it shall be lawful for any body corporate, on such terms and conditions as are agreed upon by that body corporate and the Authority, to grant to the Authority any easement, lease, licence or other authority over any land owned by or vested in the body corporate for enabling the Authority to construct a pipeline through or over such land and to operate, inspect, maintain and repair any part of such pipeline, notwithstanding that the memorandum and articles or other constitution of the body corporate do not or does not authorize such grant.

18. Notwithstanding any other Act—

(a) land belonging to the Authority shall be ratable property within the meaning of the Local Government Act, 1934-1966 ;

and

(b) the Authority shall be liable to pay rates under the Local Government Act, 1934-1966, the Waterworks Act, 1932-1966, and the Sewerage Act, 1929-1966, and land tax under the Land Tax Act, 1936-1966, but for the purposes of those Acts such land shall be assessed for rates or tax on its value ascertained without regard to any pipeline, natural gas storage

Liability of Authority to pay rates and land tax.

facilities, or any apparatus, equipment or other facilities belonging to or operated by the Authority on or over such land.

Regulations.

19. (1) The Governor may make regulations for or with respect to any matter or thing which is necessary or convenient in connection with the administration of this Act or which is necessary or expedient for carrying this Act into effect or better effecting the objects of this Act.

(2) Without limiting the generality of subsection (1) of this section such regulations may—

(a) provide for the observance of and prescribe safety precautions in relation to any matter dealt with by this Act ;

and

(b) prescribe penalties recoverable summarily, not exceeding in each case five hundred dollars, for breaches of, or non-compliance with, the regulations.

In the name and on behalf of Her Majesty, I hereby assent to this Bill.

EDRIC BASTYAN, Governor.