

20 April 2015

Mr Chris Pattas  
General Manager  
Network Operations and Development Branch  
Australian Energy Regulator  
GPO Box 520  
Melbourne VIC 3001

## By Email

Dear Mr Pattas,

### CENTRAL RANGES PIPELINE GAS NETWORK NOTIFICATION OF ANNUAL TARIFF INCREASE

(For Reference Tariff Effective 1 July 2015 to 30 June 2016)

In accordance with section 3.2, 3.3, 3.4 and 3.4A of the Central Ranges Pipeline (CRP) Gas Network approved Access Arrangement as amended, please be advised that Central Ranges Pipeline Pty Limited intends to vary the CRP Gas Network 2014/15 Reference Tariff as per the tariff escalation method in 3.3:

$$RT_n = RT_{n-1} \times \left( \frac{CPI_{n-1}}{CPI_{n-2}} \right)$$

Where:

**CPI** means the Consumer Price Index (All Groups - Weighted Average Eight Capital Cities) published quarterly by the Australian Statistician;

**CPI<sub>n-1</sub>** means the value of the average of the CPIs for the four quarters to December in Year<sub>n-1</sub>;

**CPI<sub>n-2</sub>** means the value of the average of the CPIs for the four quarters to December quarter in Year<sub>n-2</sub>;

As required by the Access Arrangement, the CPI figures used in this correspondence to calculate the average of the CPI for the four quarters to December 2013 and December 2014 are the *CPI (All Groups – Weighted Average Eight Capital Cities)* as published by the Australian Bureau of Statistics:

| CPI Calculation    | March  | June   | September | December | Average |
|--------------------|--------|--------|-----------|----------|---------|
| CPI <sub>n-2</sub> | 102.40 | 102.80 | 104.00    | 104.80   | 103.50  |
| CPI <sub>n-1</sub> | 105.40 | 105.90 | 106.40    | 106.60   | 106.075 |

Consequently the CPI escalator is (106.075 / 103.50) 1.024879.

This escalator has been applied to the CRP Gas Network Tariffs for 2014/2015 as shown below:

| Services                                | Current Charge<br>GST Exclusive | Varied Charge<br>from 1 July 2015<br>GST Exclusive | Varied Charge<br>from 1 July 2015<br>GST Inclusive |
|---|---------------------------------|--|--|
| Special Contract Transportation Service | \$0.06 /GJ                      | \$0.06 /GJ   | \$0.07 /GJ   |
| Contract Transportation Service         | \$1.62 /GJ                      | \$1.66 /GJ   | \$1.83 /GJ   |
| I & C Transportation Service            | \$2.01 /GJ                      | \$2.06 /GJ   | \$2.27 /GJ   |
| Domestic Transportation Service         | \$4.71 /GJ                      | \$4.83 /GJ   | \$5.31 /GJ   |

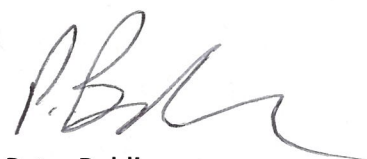
#### Charges for Ancillary Services

In accordance with part 3C of the CRP Gas Network approved Access Arrangement as amended, the charges for ancillary services are to be varied from 1 July 2015. These varied ancillary charges are shown in the table below:

| Services   | Current Charge<br>GST Exclusive                          | Varied Charge<br>from 1 July 2015<br>GST Exclusive       | Varied Charge<br>from 1 July 2015<br>GST Inclusive       |
|--|--|--|--|
| Request for Service  | \$71.52 plus<br>\$71.52 per hour<br>after the first hour | \$73.30 plus<br>\$73.30 per hour<br>after the first hour | \$80.63 plus<br>\$80.63 per hour<br>after the first hour |
| Special Meter Read   | \$42.90  | \$43.97  | \$48.37  |
| Meter Testing Service  | \$247.932  | \$254.10   | \$279.51   |
| Domestic Customer<br>Disconnection fee                               | \$89.39  | \$91.61  | \$100.77   |
| I & C Contract and<br>Special Contract Customer<br>Disconnection fee | \$357.57   | \$366.47   | \$403.12   |
| After Hours Reconnection Service                                     | \$119.20   | \$122.17   | \$134.39   |

The above ancillary charges have all been escalated by the CPI escalator of 1.024879.

If you have any questions, please contact me on 02 9693 0053.



**Peter Bolding**  
General Manager Regulatory & Strategy