

Final Decision

Australian Gas Networks Albury Model Standing
Offer for Basic Connection Services

July 2026

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1 Purpose

On 1 May 2026, Australian Gas Networks (AGN) submitted its Model Standing Offer for a Basic Connection Service for the Albury network to us for approval.¹

Our final decision is to approve the model standing offer (MSO). This decision document sets out our assessment of the issues.

Copies of approved MSOs and related decisions can be found on our website.

1.1 Background

An MSO is a contract between a gas distribution network service provider and a customer connecting to the network. It sets out the terms and conditions for the provision of a basic connection service.

The Australian Energy Market Commission's *Updating the regulatory framework for gas connections* rule change introduced mandatory charges for gas connection services and required relevant distributors to amend or submit MSOs for approval by the AER.

The relevant assessment requirements are contained in the National Gas Rules. These include the requirements for the terms and conditions of a basic connection service MSO under rule 119C, the matters the AER must be satisfied of before approving an MSO under rule 119D, and the connection charge criteria under rule 119M.

¹ AGN submitted two versions of its Albury MSO. The first version was approved for use from 24 July 2026 until 30 September 2026. This decision applies to the second version, which contains further amendments relating to connection charges and will take effect from 1 October 2026.

2 AER's decision

2.1 Legal framework

Under rule 119D of the National Gas Rules, we may approve a proposed MSO to provide a basic connection service if we are satisfied that it meets the relevant approval requirements. These include that the service is likely to be sought by a reasonable number of retail customers, the connection charges are consistent with the connection charge criteria, the terms and conditions are fair and reasonable, and the terms and conditions comply with applicable requirements of the energy laws.

Under rule 119D(6) of the National Gas Rules, we must publish notice of our decision to approve a proposed MSO, together with reasons for the decision. The requirements for the terms and conditions of a basic connection service MSO are set out in rule 119C, and the connection charge criteria are set out in rule 119M.

2.2 AER assessment

We assessed the MSO against the requirements in rules 119C, 119D and 119M of the National Gas Rules and considered whether the proposed terms, conditions and connection charging arrangements were fair, reasonable, clear and compliant with the relevant energy laws.

In assessing the MSO, we sought further information and clarification from AGN on matters including the scope of the Basic Connection Service, customer journey information, connection timeframes, the Standard Connection Charge, the basis on which charges are calculated, payment arrangements, no access charges, customer information, website material and dispute processes. We considered these matters important because clear information supports informed customer decisions and reduces the risk of future connection disputes. AGN also agreed to meet the AER's expectations for the development of supporting website material.

AGN provided further information and material addressing these matters, including information about its preparations for the introduction of mandatory connection charges. This allowed us to complete our assessment of the MSO against the relevant requirements in rules 119C, 119D and 119M of the National Gas Rules.

Table 1 provides an overview of the broad categories against which we assessed the MSO and where those requirements are addressed in AGN's Albury MSO.

Table 1: Assessment of Australian Gas Networks' Albury Model Standing Offer for a Basic Connection Service against the National Gas Rules

Category and corresponding National Gas Rules (NGR) references	Where addressed in AGN's Albury MSO
Description of the basic connection service and scope of the offer NGR 119A; 119C(2)(a)	Clauses 2 and 3.
Timeframes for commencing and completing connection work NGR 119C(2)(b); 119X	Clause 5.
Customer obligations, site access and technical and safety requirements NGR 119C(2), as applicable; relevant energy laws	Clauses 6, 8, 9, 10, 11 and 12.
Connection charges and payment arrangements NGR 119C(2)(e); 119C(2)(f)	Clauses 4, 4.1, 4.2, 4.3, 4.4, 4.5 and 7.3.
Connection charge criteria NGR 119M(1)–(4)	Clause 4.4; clause 5.3; tariff schedule and supporting charge material.
Declaration and basis for applying the connection charge criteria NGR 119C(3)(a)–(b)	AGN submission; clause 5.3; rule 119M supporting material.
Service likely to be sought by a reasonable number of retail customers NGR 119D(1)(a)	MSO generally; Albury service-area information. AGN requires an MSO to provide basic connection services to retail customers in the Albury network and has not indicated an intention to seek an exemption. The Albury network covers Albury and its surrounds extending to Jindera, consists of approximately 463 km of pipeline and delivers gas to over 28,000 customers.
Fair and reasonable terms and conditions NGR 119D(1)(c)	MSO generally, including clauses 2, 3, 4, 5, 7.3 and 16.

Compliance with applicable energy laws and dispute arrangements NGR 119D(1)(d); relevant energy laws	MSO generally; customer contact and dispute information; AGN website material.
Matters the AER must have regard to NGR 119D(2)	Assessment material on the national gas objective, past provision of services and geographical characteristics. We had regard to the national gas objective and the geographical characteristics of the Albury network. The implementation of connection charges supports cost-reflective charging and the broader policy response to declining gas demand.
Publication of decision NGR 119D(6)	This decision document and approved MSO.

2.3 Consultation

Under rule 119D(5) of the National Gas Rules, we may engage in public consultation before deciding whether to approve a proposed MSO to provide a basic connection service or a class of basic connection services.

To assist our decision on this matter, we engaged directly with AGN during the assessment process and sought further information on the matters outlined above.

We decided not to undertake broader public consultation because the issues identified during our assessment were addressed through direct engagement with AGN.

However, in future MSO assessments, there may be cases where we determine that public consultation is beneficial.

2.4 Conclusion

In accordance with the National Gas Rules, on 24 July 2026 we decided to approve AGN's Albury Model Standing Offer for a Basic Connection Service.

Glossary

Term	Definition
AER	Australian Energy Regulator
AGN	Australian Gas Networks
Basic Connection Service	A basic connection service for the purposes of the National Gas Rules.
connection charge criteria	The criteria in rule 119M of the National Gas Rules for determining connection charges.
National Gas Law	The National Gas Law set out in the Schedule to the National Gas (South Australia) Act 2008 and applied as a law of each participating jurisdiction.
MSO	Model Standing Offer
National Gas Rules	The rules made under the National Gas Law.
Standard Connection Charge	The standard charge for a Basic Connection Service, calculated in accordance with the connection charge criteria.