



Australian Government



Final decision

Australian Gas Networks South Australia Model
Standing Offer for Basic Connection Services

August 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 South Australian 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 South Australian MSO. The first version was approved separately under delegation for use from 16 July 2026 until 30 September 2026. This decision document 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 South Australian MSO.

Table 1: Assessment of Australian Gas Networks' South Australian 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 South Australian 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.
Contestable service qualifications, safety and technical requirements NGR 119C(2)(c); 119C(2)(d)	Clauses 3, 4.6, 5.3, 7, 8, 9, 10, 11, 12, 13 and 14.
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; South Australian service-area information. AGN requires an MSO to provide basic connection services to retail customers in the South Australian network and has not indicated an intention to seek an exemption. The South Australian distribution gas network consists of approximately 8,511 km of pipeline delivering gas to around 450,000 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 South Australian 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 South Australian Model Standing Offer for a Basic Connection Service.

Glossary

Term	Definition
AER	Australian Energy Regulator
Basic Connection Charge	The charge for providing a Basic Connection Service, determined in accordance with the National Gas Rules.
Basic Connection Service	A basic connection service for a retail customer connecting to a gas distribution network, as described in the approved Model Standing Offer.
JGN	Jemena Gas Networks
NGL	National Gas Law
National gas objective	The objective set out in the National Gas Law that guides the making of decisions under the national gas regulatory framework.
Residential Meter Kit	The standard meter kit used by JGN to provide the Basic Connection Service where the relevant site condition requirements are met.
Retail customer	A customer within the meaning of the National Gas Rules seeking connection to the relevant gas distribution network.
MSO	Model Standing Offer
NGR/the Rules	National Gas Rules