

## National Gas Law

Access Arrangement by

Multinet Gas (DB No. 1) Pty Ltd and Multinet Gas (DB No. 2) Pty Ltd

Trading as Multinet Gas Distribution Partnership for the Distribution System ("Multinet")

> Part A – Principal Arrangements 9 November 2012



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## Access Arrangement by Multinet Gas (DB No.1) Pty Ltd and Multinet Gas (DB No.2) Pty Ltd trading as Multinet Gas Distribution Partnership for the Distribution System

## 1 Introduction

#### **1.1 Purpose of this Document**

This revision, to the Access Arrangement ("Access Arrangement") approved by the Regulator on 2 December 2002, is submitted by Multinet Gas (DB No.1) Pty Ltd and Multinet Gas (DB No.2) Pty Ltd trading as Multinet Gas Distribution Partnership ("Multinet" or "the Service Provider"). The proposed revisions to the Access Arrangement are submitted in accordance with Part 8 of the National Gas Rules (the "NGR"). The Access Arrangement as revised describes the terms and conditions on which the Service Provider will provide access to its Distribution System.

#### 1.2 Composition of Access Arrangement

The Access Arrangement as revised comprises this document together with the plans of the Distribution System lodged with the Regulator.

A description of the Distribution System can be inspected at <u>www.multinetgas.com.au</u>.

The document is in three Parts:

- (a) Part A Principal Arrangements
- (b) Part B Reference Tariffs and Reference Tariff Policy
- (c) Part C -Terms and Conditions

Access Arrangement Information for the revisions to this Access Arrangement has been submitted in accordance with Division 2 of Part 8 of the NGR.

#### 1.3 Effective Date

The Access Arrangement first came into effect on 1 January 1999. Revisions to this Access Arrangement were effected for the Second and Third Access Arrangement Periods. Further revisions to this Access Arrangement for the Fourth Access Arrangement period were submitted to the Regulator in accordance with rule 52 of the NGR on 30 March 2012. This Access Arrangement as revised is effective from 1 January 2013 or otherwise in accordance with rule 62 of the NGR.



## 2 Definitions

In this Access Arrangement and supporting documents, where a word or phrase is capitalised:

- (a) it has the definition given to that word or phrase in the NGL or NGR (unless the word or phrase is also defined in the Glossary, in which case the word or phrase has the definition given to that word or phrase in the Glossary); or
- (b) if the word or phrase is not defined in the NGL or NGR, the definition given to that word or phrase in the Glossary,

unless the context otherwise requires.



## 3 Contact Details

The contact officer for further details on this Access Arrangement is:

Andrew Schille General Manager Regulation Multinet Gas Distribution Partnership Level 1 Pinewood Corporate Centre 43 - 45 Centreway Place Mount Waverley VIC 3149 Telephone: 03 8846 9860 Facsimile: 03 8846 9999 Email: <u>andrew.schille@ue.com.au</u>



## 4 Prior contractual rights

No provision in this Access Arrangement as revised deprives any person of a contractual right (other than an Exclusivity Right within the meaning of the Gas Code which arose on or after 30 March 1995) which was in existence prior to 3 November 1997 being the date on which this Access Arrangement was first submitted to the Regulator or deprives any person of a contractual right (other than an Exclusivity Right within the meaning of the Gas Code which arose on or after 30 March 1995) which was in existence prior to 30 March 2007 being the date on which proposed revisions to this Access Arrangement were last submitted to the Regulator under the Gas Code or deprives any person of a relevant protected contractual right (within the meaning of section 321 of the NGL) in force immediately before 30 March 2012 being the date on which proposed revisions to this Arrangement were last submitted to the Regulator.



## **5** Requirements of the NGR

This section includes those matters required by the NGR.

#### 5.1 Services Policy

**5.1.1** The Service Provider will make Haulage Reference Services and Ancillary Reference Services available to Users or Prospective Users of the Distribution System at the Reference Tariffs and in accordance with the Reference Tariff Policy set out in section 5.2 below. The Reference Services are likely to be sought by a significant part of the market.

The Residential Haulage Reference Service is the Haulage Reference Service where the withdrawal of Gas is by or in respect of a Residential Customer.

The Non-Residential Haulage Reference Service is the Haulage Reference Service where the withdrawal of Gas is by or in respect of a Non-Residential Customer but, in relation to a Tariff D Customer or a Tariff L Customer, does not include Tariff D Connection or Tariff L Connection respectively.

Ancillary Reference Services are those Pipeline Services as described in Schedule 1 of Part A.

Where the User is acquiring Pipeline Services from the Service Provider as an End-User the relevant Haulage Reference Service is the Non-Residential Haulage Reference Service, except to the extent the End-User is a natural person acquiring the Haulage Reference Services solely for its own use for domestic purposes. Where the User is an End-User then the tariffs payable by the User are determined on the assumption that in respect of the Gas taken by the User as an "End-User" the User is a "Customer".

The User is to be taken as acquiring Pipeline Services from the Service Provider as an End-User where Pipeline Services are being provided to the User to distribute Gas to a Distribution Supply Point at which the Gas will be either:

- (a) consumed by the User; or
- (b) further transported through an embedded distribution network before being supplied to premises for consumption (being premises that are connected to that embedded distribution network and not directly connected to the Distribution System); or
- (c) provided by the User to other persons who consume the Gas after it has passed through the Distribution Supply Point and where the provision of that Gas by the User to those persons does not require the User to hold a Retail Licence (or, if that legislation has come into force in Victoria, a Retailer Authorisation under the National Energy Retail Law).
- **5.1.2** The Service Provider will provide the Reference Services in accordance with the Regulatory Instruments.
- **5.1.3** The Service Provider will make Pipeline Services other than Reference Services available to Users or Prospective Users as agreed or as determined in accordance with Part 12A of the NGR and otherwise in accordance with the Regulatory instruments.

Pipeline Services other than Reference Services include Tariff D Connection, Tariff L Connection and Tariff V Complex Connection.

**5.1.4** Upon Part 12A of the NGR coming into operation in Victoria, the procedures for the provision of Connection Services will be set out in that Part.



An application for a Connection Service may be made by a Customer but except where rule 119O(2) of the NGR ("Payment of connection charges") applies otherwise the Charges for that Pipeline Service are payable by the User.

The Charges for Connection Services will be determined in accordance with any applicable requirements of relevant Regulatory Instruments (including where provided for by those Regulatory Instruments by negotiation between the Customer and the Service Provider or between the User and the Service Provider in accordance with those Regulatory Instruments).

**5.1.5** The Charges constitute distribution service charges for the purposes of rule 503 of Part 21 of the NGR ("Obligation to Pay").

#### 5.2 Reference Tariffs and Reference Tariff Policy

Reference Tariffs and the Reference Tariff Policy applicable to this Access Arrangement are set out in Part B.

There are no queuing requirements.

#### 5.2.1 Reference Tariffs

Section 1 of Part B describes the assignment of Haulage Reference Tariffs to Distribution Supply Points. The Haulage Reference Tariffs for Haulage Reference Services to apply from 1 January 2013 are the tariffs set out in Schedule 1 attached to Part B. The Ancillary Reference Tariffs for Ancillary Reference Services applicable from 1 January 2013 are set out in Schedule 2 attached to Part B.

#### 5.2.2 Reference tariff variation mechanism - Haulage Reference Tariff Control Formula

Sections 2 and 3 of Part B describe the formulae to be applied in varying, withdrawing or introducing new Haulage Reference Tariffs and Ancillary Reference Tariffs.

#### 5.2.3 Reference tariff variation mechanism - Processing changes to Reference Tariffs

Section 4 of Part B describes the processes for varying, withdrawing or introducing new Haulage Reference Tariffs.

#### 5.2.4 Calculation of Charges for Haulage Reference Tariffs

Section 5 of Part B describes the calculation of Charges from the application of Haulage Reference Tariffs.

#### 5.2.5 Reference Tariff Policy

Section 6 of Part B sets out various matters about access to Pipeline Services that the Service Provider has included in this Access Arrangement:

- (a) CPI-X Price Path
- (b) Non-Conforming Capital Expenditure
- (c) Speculative Capital Expenditure Account
- (d) Incentive Mechanism

#### 5.2.6 Fixed Principles

Section 7 of Part B describes the Fixed Principles that are to apply to the Access Arrangement.



#### 5.2.7 Reference tariff variation mechanism - Relevant Pass Through Event

Section 8 of Part B describes the procedures to apply as a result of a Relevant Pass Through Event.

#### 5.3 Terms and Conditions

- **5.3.1** The Terms and Conditions on which the Service Provider will supply each Reference Service are set out in Part C.
- **5.3.2** The terms and conditions on which the Service Provider will supply each Pipeline Service other than a Reference Service are set out in Part C as terms and conditions about access to Pipeline Services to be provided, in keeping with the definition of Access Arrangement in section 2 of the NGL.
- 5.3.3 The Service Provider's South Gippsland System (being the system known as "Multinet Gas South Gippsland") does not connect to the Transmission System but connects to the "Bass Gas" transmission pipeline. Where the User wishes to use that system then additional terms will be required to be included in a contract for the provision of Pipeline Services to reflect the then current requirements of the owners of the "Bass Gas transmission pipeline" and to reflect the fact that system does not connect to the Transmission System.

#### 5.4 Capacity trading requirements and Change of receipt or delivery points

- **5.4.1** The Service Provider is registered as a participant in the Victorian gas market declared by the Minister under an Order made pursuant to section 43 of the Access Act and the capacity in the Distribution System will be managed in accordance with the NGR and procedures governing that market.
- **5.4.2** A User may, with the Service Provider's consent, and on condition that the User has the prior approval, as may be required, of AEMO and Transmission Pipeline owner or operator (as applicable), change a Transfer Point.
- **5.4.3** A User may, with the Service Provider's consent, and on condition of compliance with Part 12A of the NGR, change a Distribution Supply Point.
- **5.4.4** The Service Provider will not withhold its consent under clause 5.4.2 or 5.4.3 unless it has reasonable grounds, based on technical or commercial considerations, for doing so.
- **5.4.5** There are no applicable capacity trading requirements for the purposes of Rules 48(1)(f) or Rule 105(1) of the NGR.

#### 5.5 Extension and Expansion requirements

#### 5.5.1 High Pressure Extensions

- (a) If the Service Provider proposes a high pressure pipeline Extension of the covered pipeline, it must apply to the AER in writing to decide whether the proposed Extension will be taken to form part of the covered pipeline and will be covered by this Access Arrangement.
- (b) A notification given by the Service Provider under clause 5.5.1(a) must:
  - (1) be in writing;
  - (2) state whether the Service Provider intends for the proposed high pressure pipeline Extension to be covered by this Access Arrangement;



- (3) describe the proposed high pressure Extension and describe why the proposed Extension is being undertaken; and
- (4) be given to the AER before the proposed high pressure pipeline Extension comes into service.
- (c) The Service Provider is not required to give notice under clause 5.5.1(a) to the extent that the cost of the proposed high pressure Extension has already been included and approved by the AER in the calculation of the Reference Tariffs.
- (d) After considering the Service Provider's application, and undertaking such consultation as the AER considers appropriate, the AER will inform the Service Provider of its decision on the Service Provider's proposed coverage approach for the high pressure pipeline Extension.
- (e) The AER's decision referred to above may be made on such reasonable conditions as determined by the AER as will have the effect stated in the decision.
- (f) Any Extensions to the Distribution System which are not high pressure pipeline Extensions will be covered by this Access Arrangement. Any Expansions in the Distribution System will be covered by this Access Arrangement.
- (g) For the purposes of this clause 5.5.1, high pressure means any pipeline which has a maximum allowable operating pressure of greater than 1050 kPa gauge.

#### 5.5.2 Effect of Extension/Expansion on Reference Tariffs

- (a) This section 5.5.2 describes how Incremental Users will be charged for an Incremental Reference Service to which this Access Arrangement applies pursuant to section 5.5.1. Where a Pipeline Service other than an Incremental Reference Service, is provided pursuant to an Extension or Expansion, the Service Provider will negotiate the Charge in good faith with the relevant Users (subject to the relevant provisions of the NGR).
- (b) Where Capital Expenditure constituted by an Extension or Expansion is Conforming Capital Expenditure Incremental Users will be charged at the prevailing Reference Tariffs and as permitted by rule 77(2) of the NGR the Service Provider will include the Capital Expenditure in the opening Capital Base for the next Access Arrangement Period. The Service Provider may, at its discretion, seek the Regulator's determination prior to the next Access Arrangement Period that Capital Expenditure is Conforming Capital Expenditure.
- (c) Where Capital Expenditure constituted by an Extension or Expansion is Non-Conforming Capital Expenditure:
  - (1) it may be (subject to the NGR):
    - (A) recovered from Incremental Users by way of capital contribution (in which case the Incremental Users would be charged according to the prevailing Reference Tariffs (as to that part of the Capital Expenditure constituted by an Extension or Expansion that is Conforming Capital Expenditure if any) plus the capital contribution);
    - (B) recovered from Incremental Users by way of a surcharge approved by the Regulator under rule 83 of the NGR (in which case the Incremental Users would be charged according to the prevailing Reference Tariffs (as to that part of the Capital Expenditure constituted by an Extension or Expansion that is Conforming Capital Expenditure if any) plus the surcharge);
    - (C) included in a Speculative Capital Expenditure Account under section 6.3 of Part B to the extent that it is not recovered through a capital contribution or a surcharge (in



which case Incremental Users would be charged according to the prevailing Reference Tariffs as to that part of the Capital Expenditure constituted by an Extension or Expansion that is Conforming Capital Expenditure if any); or

- (D) recovered by a combination of these approaches (in which case Incremental Users would be charged according to the prevailing Reference Tariffs (as to that part of the Capital Expenditure constituted by an Extension or Expansion that is Conforming Capital Expenditure if any) plus, as applicable, a capital contribution and an approved surcharge); and
- (2) the Service Provider will notify the relevant Incremental Users of its choice between these approaches prior to the Extension or Expansion entering into service.
- (d) Where the Service Provider recovers Non-Conforming Capital Expenditure by way of customer contribution, the Service Provider will include the whole of the Capital Expenditure in the opening Capital Base for the next Access Arrangement Period and will also include the capital contribution (as a negative amount, so that the Service Provider will not benefit by way of increased revenue).
- (e) Where the Service Provider recovers Non-Conforming Capital Expenditure by way of a surcharge, the Service Provider will include that part of Capital Expenditure that is Conforming Capital Expenditure in the opening Capital Base for the next Access Arrangement Period and, as required by rule 83(3), will not include the Non-Conforming Capital Expenditure that is, or is to be, recovered by way of the surcharge.

#### 5.5.3 Un-reticulated Townships

The Service Provider's policy for Extensions to un-reticulated townships where the Extension was not included in the calculation of the Reference Tariffs or the subject of a competitive tender is as follows:

- (a) Any proposal to reticulate a township, or request to the Service Provider to consider reticulation of a township, will undergo an initial feasibility assessment.
- (b) If the feasibility assessment indicates that the Extension may be economic, the Service Provider will conduct further investigation that may include proposals for the regulatory treatment of the Extension project.
- (c) The Service Provider may approach the Regulator with details of the proposed Extension with a view to agreeing on the regulatory treatment of the Extension project.
- (d) Where the agreed regulatory treatment is that the Extension is, if it proceeds, to be covered by this Access Arrangement:
  - (1) The Service Provider will be permitted to recover the Net Financing Costs incurred during the Access Arrangement Period in which the Extension is commenced in Reference Tariffs to take effect in subsequent Access Arrangement Periods;
  - (2) The Capital Base for the Access Arrangement Period commencing immediately after the commencement of the Extension will be increased by the Capital Expenditure that is Conforming Capital Expenditure.
  - (3) The Capital Expenditure will not reduce the carry-over of cost-related efficiencies from the Access Arrangement Period in which the Extension is commenced to any subsequent Access Arrangement Period;

provided the Extension:

(1) passes the Economic Feasibility Test; and



- (2) would otherwise be uneconomic for the Service Provider if commenced prior to being included in the calculation of Reference Tariffs in future Access Arrangement Periods.
- (e) Where the agreed regulatory treatment is that the Extension is, if it proceeds, to be covered by this Access Arrangement, then in addition to section 5.5.3(4):
  - the agreed regulatory treatment may include that Incremental Users pay a capital contribution in addition to prevailing Reference Tariffs, or a surcharge in addition to prevailing Reference Tariffs, or a new Reference Tariff;
  - (2) where the agreed regulatory treatment includes application of a new Reference Tariff, the agreed regulatory treatment shall also include a mechanism to integrate the new Reference Tariff into the Tariff Control Formulae (and the rebalancing control formulae in Appendix 2 of Part B), and the new Reference Tariff shall not be treated as a new Haulage Reference Tariff for the purposes of section 3 of Part B.
- (f) Once agreement has been reached concerning the regulatory arrangement, the Service Provider will undertake a detailed feasibility assessment. Should the outcome of this assessment establish or confirm that the Extension is economic (including the consideration of any capital contributions or surcharges) under the agreed regulatory arrangement, then the Extension will progress. Otherwise, further discussions will be held with the Regulator. If, in light of the detailed economic assessment and available regulatory arrangements, the Extension is not economic, the Extension will not proceed.
- (g) Where the Extension is deemed uneconomic, the Service Provider may review the Extension should material changes occur.
- (h) The Service Provider's funding of Extensions to un-reticulated townships is, in accordance with rule 104(3) of the NGR, conditional upon (among other things) the Service Provider having sufficient funds available on commercial terms acceptable to the Service Provider.

#### 5.6 Review and expiry of Access Arrangement

- **5.6.1** The Service Provider will submit revisions to this Access Arrangement to the AER on or before 1 January 2017.
- 5.6.2 The Revisions Commencement Date will be 1 January 2018.



## Schedule 1 – Ancillary Reference Services

In relation to Distribution Supply Points at which Gas is withdrawn by or in respect of a Tariff V Customer:

(a) Meter and Gas Installation Test being -

on-site testing to check the accuracy of a Meter and the compliance of a Gas Installation with relevant standards, in order to determine whether the Meter is accurately measuring the Quantity of Gas delivered.

- (b) Disconnection by the carrying out of work being -
  - (1) removal of the Meter at a Metering Installation, or
  - (2) the use of locks or plugs at a Metering Installation

in order to prevent the withdrawal of Gas at the Distribution Supply Point in response to:

- (3) the direction in writing of a User,
- (4) a request from a Customer, or
- (5) the Customer obtaining or having obtained Supply at a Distribution Supply Point otherwise than in accordance with the Distribution System Code or any regulatory requirement.
- (c) Energisation and Reconnection being -
  - (1) reinstallation of a Meter if it has been removed; or
  - (2) the removal of any locks or plugs used to isolate Supply,

and the performance of a safety check and the lighting of appliances where necessary.

(d) Special Meter Reading being -

Meter readings in addition to scheduled Meter Readings that form part of the Haulage Reference Services.

The Ancillary Reference Services will be provided on Business Days between the hours of 8.00am and 4.00pm.



# Schedule 2 – Access Arrangements Glossary – Definitions and Interpretation

#### S2.1 Definitions

Access Act means the National Gas (Victoria) Act 2008;

Access Arrangement means this arrangement for access for third parties to the Distribution System lodged by the Service Provider with, and approved by, the Regulator under the Access Act and National Gas Rules;

Actual Meter Reading has the same meaning as in the Retail Market Procedures (Victoria);

Additional Charge means any charge imposed on the Service Provider by an Authority which is referable to the User or a Customer, and where such charge is referable to a class of Retailers or Customers rather than an individual Retailer or Customer, that charge will be allocated between the Retailers or Customers (as the case may be) on a fair and reasonable basis by the Service Provider, provided that the Service Provider is not prohibited from passing through that charge to Retailers or Customers under the Regulatory Instruments;

AEMO means Australian Energy Market Operator Limited ABN 94 072 010 327;

**AER** means the Australian Energy Regulator established by section 44AE of the Competition and Consumer Act 2010 (Cth);

**Agreement** means an agreement executed or to be executed by the Service Provider and a User on the Terms and Conditions or an agreement in respect of the terms and conditions for the provision of Pipeline Services, as negotiated between the Service Provider and a User;

Ancillary Reference Service means a Reference Service as set out in Schedule 1 of Part A;

Ancillary Reference Tariff means the tariff that applies to an Ancillary Reference Service;

**Annual MHQ** means the greatest Quantity of Gas (in GJ) withdrawn at a Distribution Supply Point in any hour in a Calendar Year;

Authority means any:

- (a) government, government or regulatory department, statutory corporation (including the Regulator), corporation (including AEMO), body, instrumentality, minister, agency or other authority; or
- (b) body which is the successor to the administrative responsibilities of that department, statutory corporation, corporation, body, instrumentality, minister, agency or authority;

**B2B Hub** means the electronic messaging system operated by AEMO for the Gas industry in Victoria or any electronic messaging system which replaces that system;

Bank Bill Rate means, for a day, the bank bill standard rate defined to be equal to:

- (a) the "bid rate" (rounded up to four decimal places) quoted on the page entitled "BBSY of the Reuters Monitor System at or about 10:00 am on that day (or where the day is not a Business Day then on the most recent prior Business Day) for bank accepted bills of exchange which have a tenor of 30 days; or
- (b) if the Bank Bill Rate cannot be determined in accordance with paragraph (a) of this definition, the rate percent per annum agreed by the parties in good faith to be the appropriate rate having regard



to comparable indices then available in the current bill market, and in default of agreement within 14 days, the rate nominated by the Service Provider and approved by the Regulator as an appropriate rate;

**Bank Guarantee** means an irrevocable bank guarantee from a trading bank conducting business in Australia in favour of the Service Provider substantially in the form set out in Schedule 1 of the Terms and Conditions, for the Required Bank Guarantee Amount;

**Business Day** means a day other than a Saturday, Sunday or a day which has been proclaimed to be a public holiday in the Melbourne metropolitan area;

Calendar Year means a twelve month period commencing on 1 January;

**Certificate of Compliance** means a notice of installation, or completion of Gas Installation work, from a Gas Installer;

Change in Taxes Event means an event where:

- (a) any of the following occurs during the course of the Access Arrangement period:
  - (1) a change in a Relevant Tax, in the application or official interpretation of a Relevant Tax, in the rate of a Relevant Tax, or in the way a Relevant Tax is calculated;
  - (2) the removal of a Relevant Tax;
  - (3) the imposition of a Relevant Tax; and
- (b) in consequence:
  - the costs to the Service Provider of providing Reference Services are Materially increased or decreased; or
  - (2) there is a Material increase or reduction to the revenue received (after payment of Relevant Taxes) by the Service Provider from providing Reference Services.

**Charges** means the charges payable by the User to the Service Provider under clause 7 of the Terms and Conditions and includes:

- the amount determined from the application of the Reference Tariffs in respect of the Reference Services provided to the User in respect of its Customers (or provided to the User where acquiring Reference Services as an End-User) or such other amount as agreed in writing;
- (b) a capital contribution;
- (c) a surcharge;
- (d) where Pipeline Services other than Reference Services are provided by the Service Provider as set out in Schedule 2 of the Terms and Conditions, the Non-Reference Service Charge; and
- (e) Additional Charges;

**Claim** means any claim, action, dispute, proceeding, loss, liability, demand, cost or expense whether arising in contract, tort (including negligence), equity or otherwise in respect of an event occurring after the Commencement Date;

**Class A Inquiry** means an inquiry identified as an "A" inquiry in the Gas Leak and Emergency Calls Protocol and includes an inquiry relating to a Gas leak or Emergency;



**Class B Inquiry** means an inquiry identified as a "B" inquiry in the Gas Leak and Emergency Calls Protocol and includes an inquiry relating to a Gas leak or Emergency;

**Class C Inquiry** means an inquiry identified as a "C" inquiry in the Gas Leaks and Emergency Calls Protocol and includes an unplanned Interruption;

Commencement Date means in respect of an Agreement, the date of execution of the Agreement;

Confidential Information means:

- (a) in respect of a party to an Agreement the know-how, trade secrets, ideas, concepts, technical and operational information owned by that party or which that party has rights to use;
- (b) in respect of a party to an Agreement, information concerning the affairs or property of or any business, property or transaction in which that party may be or may have been concerned or interested;
- (c) in respect of the User, details of any Customers of the User; and
- (d) any other information which is to be treated in a confidential manner under a Regulatory Instrument with which a party to an Agreement is required to comply;

**Connection** means a physical link between the Distribution System and a Customer's premises (or premises at which the User takes Gas as an End-User) to allow the flow of Gas (or such other meaning as may be given to the term "Connection" by the National Gas Rules);

**Connection Alteration** means an alteration to an existing Connection including an addition, upgrade, extension, expansion, augmentation or any other kind of alteration;

**Connection Request** means a request in a form required by relevant Regulatory Instruments and otherwise, to the extent permitted by those Regulatory Instruments, in a form reasonably required by the Service Provider given by the User to the Service Provider requesting a Connection Service or Energisation;

Connection Service means either or both of the following:

- (a) a service relating to a new Connection;
- (b) a service relating to a Connection Alteration;

**Controller** has the same meaning as defined in the Corporations Act;

Corporations Act means the Corporations Act 2001;

**CPI** for a particular Calendar Year is:

(a) the consumer price index: all groups index for the eight state capitals as published by the Australian Bureau of Statistics for the September quarter immediately preceding the start of the relevant Calendar Year

#### divided by

 (b) the consumer price index: all groups index for the eight state capitals as published by the Australian Bureau of Statistics for the September quarter immediately preceding the September quarter referred to in paragraph (a)

#### minus one;

Curtail means to temporarily reduce the injection or withdrawal of Gas to or from the Distribution System;



Customer means, as the context suggests:

- (a) a customer of the User at a Distribution Supply Point;
- (b) a prospective customer of the User at a Distribution Supply Point (or a point which will become a Distribution Supply Point upon the making of a Connection);

**Customer MHQ** means the maximum hourly Quantity of Gas, expressed in gigajoules per hour (GJ/hour), for delivery to a Tariff D Distribution Supply Point or Tariff L Distribution Supply Point initially nominated by the User to the Service Provider and agreed to by the Service Provider in writing and then as agreed from time to time between parties to an Agreement;

**Default Rate** means, on a day, the default interest rate applying under the National Gas Rules in respect of that day or, if there is no such rate, then the rate percent per annum which is the aggregate of 2% per annum and the Bank Bill Rate applicable for that day;

**Declared Retailer of Last Resort Event** means the occurrence of an event (of the type contemplated in Division 6, Part 3 of the GIA or Part 6 of the National Energy Retail Law) whereby an existing User for Customers is unable to continue to Supply Gas and Customers of that User are transferred to, as applicable, the relevant supplier of last resort (as that term is used in the GIA) or the relevant designated RoLR (as that term is used in the National Energy Retail Law) and as a result the Service Provider incurs Materially higher or lower costs in providing Reference Services than it would have incurred but for that event;

#### Deemed Contract means one of:

- (a) a contract between the Service Provider and a Customer under section 48 of the GIA; or
- (b) a deemed standard connection contract between the Service Provider and a Customer (as referred to in section 67(a) of the National Energy Retail Law ("Kinds of customer connection contracts")); or
- a deemed AER approved standard connection contract between the Service Provider and a Customer (as referred to in section 67(b) of the National Energy Retail Law ("Kinds of customer connection contracts"));

#### Disaster Event means:

- (a) any major fire, flood, earthquake or other natural disaster;
- (b) any major explosion or industrial fire caused by a third party and beyond the control of the Service Provider;
- (c) any major riot or civil commotion,

(but excluding those events for which external insurance or self-insurance has been included within the Service Provider's forecast operating expenditure for the relevant Access Arrangement period) that occurs during the Access Arrangement period and Materially increases the costs to the Service Provider of providing Reference Services (including without limitation because of the need to undertake repairs to the Distribution System).

**Disconnection** means the carrying out of work to prevent the withdrawal of Gas at a Distribution Supply Point (also referred to as de-energisation in the National Energy Retail Rules);

**Disconnection Request** means a request in a form required by relevant Regulatory Instruments and otherwise, to the extent permitted by those Regulatory Instruments, in a form reasonably required by the Service Provider given by the User to the Service Provider requesting the Disconnection and which must include the reason for requesting the Disconnection;



Distribution Area has the same meaning as defined in Schedule 2 of the Distribution Licence;

**Distribution Demand Tariff Component** means a Haulage Reference Tariff Component as described in clause 5.3 of Part B;

**Distribution Fixed Tariff Component** means a Haulage Reference Tariff Component of Haulage Reference Tariff as described in clause 5.1 of Part B and is expressed in \$/day;

**Distribution Licence** means the licence of that name to provide services by means of a distribution pipeline granted to the Service Provider by the Regulator under the GIA;

Distribution Pipeline has the same meaning as in the GIA;

#### Distribution Services means:

- (a) Reference Services; and
- (b) such Pipeline Services other than Reference Services that the Service Provider has agreed to provide to the User as set out in Schedule 2 of the Terms and Conditions (including a Tariff D Connection, a Tariff L Connection and a Tariff V Complex Connection);

**Distribution Supply Point** means a point on the Distribution System at which Gas is capable of being withdrawn from the Distribution System for delivery to a Customer (or the User as an End-User), which is normally located at the outlet of a Meter and includes a "supply point" and an "ancillary supply point" as defined in the Gas Industry (Residual Provisions) Act 1994 (Victoria) in relation to a Distribution System;

**Distribution System** means that part of the Gas Distribution System which is more particularly described in the plan of the Distribution System lodged with the Regulator and any Extension or Expansion of the Distribution System that is covered by the Access Arrangement;

**Distribution System Code** means the Victorian Gas Distribution System Code issued by the Regulator, compliance with which is a condition of the Distribution Licence;

**Distribution Volume Tariff Component** means a Reference Tariff Component described in clause 5.2 of Part B and expressed in \$/GJ for GJs of Gas withdrawn in the Peak Period, in the Shoulder Periods or in the Off-Peak Period;

**Economic Feasibility Test** means the test to determine whether capital expenditure is Conforming Capital Expenditure as constituted by section 79(1)(a) and section 79(2)(a) or 79(2)(b) of the National Gas Rules;

Emergency means an event or circumstance:

- (a) which the Governor in Council declares by proclamation to be an emergency under Part 9 of the GIA;
- (b) which it would be reasonable to believe constitutes a situation which may:
  - (1) threaten the personal safety of any person;
  - (2) cause material damage to the Transmission System or some other Transmission Pipeline which connects to the Distribution System;
  - (3) cause material damage to the Distribution System; or
  - (4) cause material damage to any property, plant or equipment;



- (c) which constitutes a level two to level five emergency (as set out in the emergency command organisation arrangements adopted by the Service Provider);
- (d) which constitutes an emergency pursuant to rule 333 of the National Gas Rules ("Emergency"); or
- (e) which otherwise constitutes an "emergency" pursuant to relevant Regulatory Instruments;

**Energisation** means the act of turning on Supply including the removal of any locks or plugs used to isolate Supply or reinstallation of a Meter if it has been removed, performance of a safety check and the lighting of appliances where necessary;

**ESC** means the Essential Services Commission as constituted pursuant to the Essential Services Commission Act 2001 (Vic);

Estimated Meter Reading has the same meaning as in the Retail Market Procedures (Victoria);

**Expansion** means the process of upgrading the capacity or service potential of the Distribution System by replacing or enhancing existing plant or equipment or adding new plant or equipment;

**Extension** means extending a Pipeline to enlarge the area to which Gas may be, or is, supplied, including (for the avoidance of doubt) extensions which connect together pre-existing pipeline systems;

**Fifth Access Arrangement Period** means a period commencing on 1 January 2018 and ending on 31 December 2022;

**Financial Failure of a Retailer Event** means the occurrence of an event whereby a User is subject to an Insolvency Event, and as a consequence the Service Provider does not receive revenue which it was otherwise entitled to for the provision of References Services;

Financial Year means a period from 1 July to 30 June;

**First Access Arrangement Period** means the period commencing on 1 January 1998 and ending on 31 December 2002;

**Force Majeure Event** means an event beyond the reasonable control of a person which causes a delay in performance, or non-performance, by that person of an obligation and includes:

- (a) an Emergency;
- (b) a Participant force majeure event or System force majeure event as defined in Part 19 of the NGR;
- (c) an event consisting of, or analogous to, the issue of a direction under section 106 or section 107 of the Gas Safety Act 1997 (Vic);
- (d) an event consisting of, or analogous to, an act of nature, governmental intervention or act of war, neither anticipated nor controllable by the Service Provider;

**Fourth Access Arrangement Period** means a period commencing on 1 January 2013 and ending on 31 December 2017;

**FRO (Financially Responsible Organisation)** has the meaning given to the FRO in the Retail Market Procedures (Victoria);

Gas means any substance which is "gas" for the purposes of the GIA;

Gas Day has the same meaning as "gas day" in Part 19 of the NGR;



Gas Distribution Company has the same meaning as in the GIA;

Gas Distribution System has the same meaning as in the GIA;

**Gas Installation** means any Gas equipment located at a premises which utilises Gas, that is not part of the Distribution System;

**Gas Installer** means a person authorised by Regulatory Instruments to install, repair, alter or make any addition to a Gas Installation or to any part of a Gas Installation;

Gas Interface Protocol has the same meaning as in the Retail Market Procedures (Victoria);

**Gas Leaks and Emergencies Number** means the Service Provider's contact telephone number as stated in clause 9.1(e) of the Agreement;

**Gas Leaks and Emergencies Calls Protocol** means the Gas Leak and Emergency Calls, "A" to "C" Priority, version 1.2 as approved by the Victorian Gas Retail Consultative Forum;

GIA means the Gas Industry Act 2001 (Victoria);

GJ means Gigajoule. 1 GJ is equal to one thousand million Joules (1,000,000,000J);

Glossary means this glossary;

**GST** means goods and services tax or similar value added tax levied or imposed in the Commonwealth of Australia pursuant to the GST law;

GST law has the same meaning as in A New Tax System (Goods and Services Tax) Act 1999(Cth);

**Guaranteed Service Levels** or **GSLs** means the standard of service that must be provided by the Service Provider in respect of certain Distribution Services as set out in a Regulatory Instrument;

Guarantor has the meaning given in clause 7.8(a)(1)(B) of the Terms and Conditions;

Haulage Reference Services means:

- (a) allowing injection of Gas at Transfer Points;
- (b) conveyance of Gas from Transfer Points to Distribution Supply Points; and
- (c) allowing withdrawal of Gas at Distribution Supply Points;

except to the extent that:

- (d) before the start of the Fourth Access Arrangement Period the Service Provider and the User have agreed in writing that specific pricing applies to that Pipeline Service;
- (e) after the start of the Fourth Access Arrangement Period, the Service Provider and the User agree in writing or in such other form as approved by the Regulator that the Pipeline Service is not to be a Haulage Reference Service; or
- (f) the Pipeline Services are provided to a Transfer Point between a Distribution Pipeline by means of which the Service Provider provides Pipeline Services and a Distribution Pipeline by means of which another Gas Distribution Company (which is not exempt from the requirement to hold a licence because of an Order under section 24 of the GIA or similar exempting instrument) provides Pipeline Services;

Haulage Reference Tariff means the tariff that applies to Haulage Reference Services;



**Haulage Reference Tariff Component** means an individual price element comprising part of a Haulage Reference Tariff;

**Haulage Reference Tariff – Non-residential D** means the tariff specified in Schedule 1 of Part B under the heading "Haulage Reference Tariff – Non-residential D";

**Haulage Reference Tariff – Non-residential D Gippsland Towns** means the tariff specified in Schedule 1 of Part B under the heading "Haulage Reference Tariff – Non-residential D Gippsland Towns ";

**Haulage Reference Tariff – Non-residential L** means the tariff specified in Schedule 1 of Part B under the heading "Haulage Reference Tariff – Non-residential L";

**Haulage Reference Tariff – Non-residential V** means the tariff specified in Schedule 1 of Part B under the heading "Haulage Reference Tariff – Non-residential V";

**Haulage Reference Tariff – Non-residential V Gippsland Towns** means the tariff specified in Schedule 1 of Part B under the heading "Haulage Reference Tariff –Non-residential V Gippsland Towns";

**Haulage Reference Tariff – Non-residential V Yarra Valley Towns** means the tariff specified in Schedule 1 of Part B under the heading "Haulage Reference Tariff – Non-residential V Yarra Valley Towns";

**Haulage Reference Tariff – Residential V** means the tariff specified in Schedule 1 of Part B under the heading "Haulage Reference Tariff – Residential V";

**Haulage Reference Tariff – Residential V Gippsland Towns** means the tariff specified in Schedule 1 of Part B under the heading "Haulage Reference Tariff – Residential V Gippsland Towns";

**Haulage Reference Tariff – Residential V Yarra Valley Towns** means the tariff specified in Schedule 1 of Part B under the heading "Haulage Reference Tariff –Residential V Yarra Valley Towns";

**Heating Value** means the heating value of Gas in the Distribution System as calculated and published by AMEO in accordance with the Retail Market Procedures (Victoria);

**Incremental Reference Service** means a Reference Service that could not have been provided at a Distribution Supply Point without an Extension or Expansion;

**Incremental User** means a User that could not have been serviced at a Distribution Supply Point without an Extension or Expansion;

**Insolvency Event** means the happening of any of the following events in relation to a party to an Agreement:

- (a) an order is made that it be wound up or that a Controller be appointed to it or any of its assets;
- (b) a resolution that it be wound up is passed;
- (c) a resolution that an administrator be appointed to it is passed;
- (d) it enters into, or resolves to enter into, an arrangement, compromise or composition with any of, or any class of, its creditors or shareholders, or an assignment for the benefit of any of, or any class of, its creditors in relation to a potential Insolvency Event in subparagraphs (a) to (d) or (f) to (g) occurring or in relation to the appointment of a liquidator, provisional liquidator, Controller or any similar official;
- (e) any action is taken by the Australian Securities and Investment Commission to cancel its registration or to dissolve it;



- (f) it is insolvent within the meaning of Section 95A of the Corporations Act, as disclosed in its accounts or otherwise, states that it is unable to pay its debts or it is presumed to be insolvent under any applicable law;
- (g) it stops or suspends:
  - (1) the payment of all or a class of its debts; or
  - (2) the conduct of all or a substantial part of its business; or
- (h) if the User is constituted in another jurisdiction, any event having a substantially similar effect to any of the events specified in the preceding paragraphs happens to it under the law of that other jurisdiction;

Insurance Cap Event means an event whereby:

- (a) the Service Provider makes a claim or claims on an insurance policy;
- (b) the Service Provider incurs costs beyond the relevant policy limit of that insurance policy;
- (c) the costs beyond the relevant insurance policy limit Materially increase the costs to the Service Provider of providing Reference Services (for example the Service Provider must incur costs in repairing the Distribution System which costs are above the relevant insurance policy limit).

For the purposes of this definition the "relevant policy limit" for an insurance policy is the greater of the actual policy limit at the time of the event that gave rise to the claim on the relevant insurance policy and the relevant policy limit on the basis of which the AER determined the amount of insurance costs it would approve as expenditure during the Fourth Access Arrangement Period.

**Insurer Credit Risk Event** means an event where the insolvency of the nominated insurers of the Service Provider occurs, as a result of which the Service Provider:

- (a) incurs Materially higher or lower costs for insurance premiums than those incurred immediately prior to the insolvency; or
- (b) in respect of a claim for a risk that would have been insured by the Service Provider's insolvent insurers, is under a new policy subject to a materially higher or lower claim limit or a materially higher or lower deductible than would have applied under the policy with the insolvent insurer; or
- incurs additional costs associated with self funding an insurance claim which would have otherwise been covered by the insolvent insurer;

**Interruption** means the planned or unplanned temporary stoppage of Supply to one or more Distribution Supply Points;

**J** means Joule; a unit of energy as defined in AS1000-1979 "The International System of Units (SI) and its Application";

**Licence Fee** means the licence fee and other fees and charges in respect of the Distribution Licence paid or payable by the Service Provider under its Distribution Licence;

**Main** means a low, medium or high pressure pipe in the Distribution System, other than a Service Pipe;

**Mains Replacement** means Mains replacement for low pressure to high pressure block rollout, which involves the replacement of low pressure distribution Mains with high pressure polyethylene Mains through a process of dividing a low pressure region into smaller areas (referred to as blocks) which are then subject to a systematic low pressure to high pressure replacement;



**Mains Replacement Event** means the circumstance whereby, at the end of a calendar year in the period from 1 January 2013 to (and ending on) 31 December 2017, the amount determined in accordance with the following formula is greater than zero:

#### Y - (X \* 55 kilometres)

Where:

- (a) **X** means the number of expired calendar years in the period 2013-2017;
- (b) Y means the total Mains Replacement undertaken by the Service Provider (on or after 1 January 2013) as at the end of the relevant calendar year less such part of that Mains Replacement for which:
  - (1) the Service Provider has made an application to the AER under clause 8 of Part B of this Access Arrangement for a year prior to that relevant calendar year; and
  - (2) as a result of that application the AER determines the undertaking of that Mains Replacement is a Relevant Pass-Through Event for which an increase in Reference Tariffs is allowable,

provided that a Mains Replacement Event excludes any work in undertaking a volume of Mains Replacement during the period from 1 January 2013 to (and ending on) 31 December 2017 above the volumes proposed by the Service Provider to the AER in its Access Arrangement proposal lodged in March 2012;

**Material** as that concept is used in the definition of a Relevant Pass Through Event is defined in clause 8 of Part B.

**Meter** means a device that measures and records quantities of Gas by reference to volume, mass or energy content;

**Metering Installation** means the Meter and associated equipment and installations which may include correctors, regulators, filters, data loggers and telemetry relating to a Distribution Supply Point;

**Metering Data** means data pertaining to the measure of the quantity of Gas flow obtained from a Metering Installation;

Meter Reading has the same meaning as in the Retail Market Procedures (Victoria);

**MHQ** means the maximum Quantity of Gas (in GJ) withdrawn at a Distribution Supply Point in any hour;

**MIRN** means in relation to a Distribution Supply Point at any time, the metering installation registration number for that Distribution Supply Point including the checksum for that MIRN;

National Energy Customer Framework Event means a legislative act or decision that:

- (a) occurs during the Access Arrangement period;
- (b) has the effect of implementing in Victoria, either in part or in its entirety, the National Energy Customer Framework; and
- (c) increases the costs to the Service Provider of providing Reference Services.

For the purposes of this definition, the "National Energy Customer Framework" means any legislation, regulations or rules that give effect, in Victoria, to any or all of the Schedule to the National Energy Retail Law (South Australia) Act 2011, the National Energy Retail Regulations (South Australia) and the



National Energy Retail Rules (South Australia) as amended from time to time including any amendment, withdrawal or introduction of any associated Victorian legislation, regulations or rules;

**National Energy Retail Law** means the National Energy Retail Law as set out in the National Energy Retail Law (South Australia) Act 2011;

National Energy Retail Rules has the meaning given to that term in the National Energy Retail Law;

National Gas Law (or NGL) means the National Gas (Victoria) Law as defined in the Access Act;

National Gas Rules (or NGR) means the National Gas Rules made pursuant to the National Gas Law;

**Negative Pass Through Amount** means, in relation to the occurrence of a Relevant Pass Through Event, an amount that the Service Provider is required to pay the User or a factor by which amounts the User is required to pay the Service Provider are reduced;

**Net Financing Cost** means in respect of an Extension or Expansion, the surplus of the estimated Conforming Capital Expenditure in relation to, and the operating expenditure (complying with section 91 of the NGR) in respect of, the Extension or Expansion within the Access Arrangement Period in which the Extension or Expansion is commenced over the present value of the estimated incremental revenue that would be derived directly from the Extension or Expansion within that period;

**Non-Reference Service Charge** means the amount payable by the User for the provision of Pipeline Services other than Reference Services, being the amount as set out in Schedule 2 of the Terms and Conditions or as agreed between the parties to an Agreement or determined pursuant to the National Gas Rules or other relevant Regulatory Instruments;

Non-Residential Customer means any Customer other than a Residential Customer;

**Non-Residential Haulage Reference Service** means a Haulage Reference Service described as such in clause 5.1.1 of Part A;

**Off-Peak Period** means the period of a Calendar Year other than the Peak Period and the Shoulder Periods;

**Ombudsman** means the Energy and Water Ombudsman (Victoria) or such replacement entity as performs the function of Ombudsman for the purposes of relevant Regulatory Instruments;

Pass Through Amount means a Positive Pass Through Amount or a Negative Pass Through Amount;

Peak Period means the period of 1 June to 30 September of a Calendar Year;

**Positive Pass Through Amount** means, in relation to the occurrence of a Relevant Pass Through Event, an amount that a User is required to pay to the Service Provider or a factor by which amounts the User is required to pay the Service Provider are increased;

**Quantity** means, in relation to Gas, the energy content of that Gas calculated by multiplying its volume in cubic metres at a temperature of 15 degrees Celsius and an absolute pressure of 101.325 kPa by its Heating Value;

**Reconnect** means the Energisation for or in respect of a Customer following the Disconnection of the Distribution Supply Point at which Gas was, prior to Disconnection, withdrawn by or in respect of that Customer(also referred to as re-energisation in the National Energy Retail Rules);

**Reference Service** means the Haulage Reference Services and Ancillary Reference Services as defined in clause 5.1 of Part A;



**Reference Tariff** means the Haulage Reference Tariffs and Ancillary Reference Tariffs and as varied pursuant to Part B;

**Reference Tariff Class** refers to Distribution Supply Points which are assigned to the same Haulage Reference Tariffs;

**Reference Tariff Policy** means the various matters about access to Pipeline Services that the Service Provider has included in this Access Arrangement set out in clause 6 of Part B;

Regulator means, as applicable:

- the ESC or any successor agency that becomes responsible for the functions conferred on the ESC under a Regulatory Instrument;
- (b) the AER or any successor agency that becomes responsible for the functions conferred on the AER under a Regulatory Instrument;

**Regulatory Change Event** means the introduction of, or a change in, a regulatory obligation or requirement that:

- (a) falls within no other category of Relevant Pass Through Event; and
- (b) occurs during the course of an Access Arrangement Period; and
- (c) affects the manner in which the Service Provider provides Reference Services; and
- (d) Materially increases or Materially decreases the costs of providing those Reference Services.

**Regulatory Instrument** means the Access Act, National Gas Law, National Gas Rules, GIA, Gas Safety Act 1997 (Victoria), the National Energy Retail Law, the National Energy Retail Rules and any other legislation, any subordinate legislation, licence, code, rules, sub-code, guideline, safety case, order or regulation regulating the gas industry in Victoria, or elsewhere if applicable, whether made under the GIA or other applicable legislation having jurisdiction over the relevant party, including the Retail Market Procedures (Victoria);

Relevant Pass Through Event means each of the following:

- (a) Change in Taxes Event;
- (b) Financial Failure of a Retailer Event;
- (c) Declared Retailer of Last Resort Event.
- (d) Insurer Credit Risk Event;
- (e) Insurance Cap Event;
- (f) Regulatory Change Event;
- (g) Service Standard Change Event;
- (h) Terrorism Event;
- (i) Disaster Event;
- (j) National Energy Customer Framework Event;
- (k) Mains Replacement Event.



Relevant Tax means any Tax payable by the Service Provider, other than:

- (a) income tax and capital gains tax;
- (b) stamp duty, financial institutions duty and bank account debits tax;
- (c) penalties, charges, fees and interest on late payments, or deficiencies in payments, relating to any Tax; or
- (d) any Tax that replaces or is the equivalent of or similar to any of the taxes referred to in paragraphs (a) to (b) (including any State equivalent tax).

**Required Bank Guarantee Amount** means the amount of the Bank Guarantee calculated by the Service Provider under clauses 7.8(c) or 7.8(d) of the Terms and Conditions;

Residential Customer means a Customer who uses Gas primarily for domestic purposes;

**Residential Haulage Reference Service** means a Haulage Reference Service described as such in clause 5.1.1 of Part A;

**Retailer** means a gas retailer for the purposes of the GIA or a retailer for the purposes of the National Energy Retail Law;

Retail Contract means a contract for the sale of Gas by the User to a Customer;

**Retail Market Procedures (Victoria)** means the Retail Market Procedures for Victoria as made pursuant to the National Gas Rules;

**Retail Licence** means a licence to sell Gas granted to a Retailer by the Regulator under Part 3 of the GIA;

**Retail Services** means the following services that are provided by a User to the Service Provider at the Service Provider's request:

- (a) processing of GSL payments under clause 7.6 of the Terms and Conditions;
- (b) notification of Reference Tariffs under clause 9.10(c) of the Terms and Conditions;
- (c) provision of information and documentation to Customers under clause 9.12(b) of the Terms and Conditions;
- (d) delivering to a Customer any notification, information or documentation as requested by the Service Provider under clause 9.12(e) of the Terms and Conditions; and
- delivering to a Customer information as requested by the Service Provider under clause13.2(b)(4)(B) of the Terms and Conditions,

but does not include any such services to the extent that the User is obliged to perform those services under the Regulatory Instruments;

**RoLR Event** has the meaning given to the term RoLR event in the National Energy Retail Law;

**Second Access Arrangement Period** means a period commencing on 1 January 2003 and ending on 31 December 2007;

**Service Pipe** means a pipe ending at a Metering Installation or, for an unmetered site a Gas Installation, which connects a Main or a Transmission Pipeline to a premises at which Gas is used (as determined by the Service Provider);



Services Policy means the policy contained in clause 5.1 of Part A;

**Service Provider** means Multinet Gas (DB No.1) Pty Ltd and Multinet Gas (DB No.2) Pty Ltd Trading as Multinet Gas Distribution Partnership;

**Service Standard Event** means a legislative or administrative act or decision that falls within no other category of Relevant Pass Through Event that:

- (a) has the effect of:
  - (1) varying, during the course of an access arrangement period, the manner in which the Service Provider is required to provide a Reference Service;
  - (2) imposing, removing or varying, during the course of an access arrangement period, minimum service standards applicable to Reference Services; or
  - (3) altering, during the course of an access arrangement period, the nature or scope of the Reference Services, provided by the Service Provider; and
- Materially increases or Materially decreases the costs to the Service Provider of providing Haulage Reference Services;

Shoulder Periods means the periods 1 May to 31 May and 1 October to 31 October of a Calendar Year;

**Specifications** means the quality specifications prescribed by the Gas Safety (Gas Quality) Regulations 2007 (Victoria);

Substituted Meter Reading has the same meaning as in the Retail Gas Market Rules;

Supply means the delivery of gas;

**Tariff Control Formula** means the formulae described in clause 3.1 of Part B that applies to Haulage Reference Tariffs;

**Tariff D Customer** means a Customer in respect of whom the User is charged Haulage Reference Tariff – Non-residential D;

**Tariff D Distribution Supply Point** means a Distribution Supply Point to which is assigned Haulage Reference Tariff – Non-residential D as determined by the application of clause 1 of Part B;

**Tariff D Connection** means the Connection and maintenance of the Connection at a Tariff D Distribution Supply Point;

**Tariff L Customer** means a Customer in respect of whom the User is charged Haulage Reference Tariff – Non-residential L;

**Tariff L Distribution Supply Point** means a Distribution Supply Point to which is assigned Haulage Reference Tariff – Non-residential L as determined by the application of clause 1 of Part B;

**Tariff L Connection** means the Connection and maintenance of the Connection of a Tariff L Distribution Supply Point;

**Tariff V Customer** means a Customer in respect of whom the User is charged Haulage Reference Tariff – Residential V, Haulage Reference Tariff – Residential V Gippsland Towns, Haulage Reference Tariff – Residential V Yarra Valley Towns or Haulage Reference Tariff Non-residential V;

**Tariff V Complex Connection** means the Connection and maintenance of the Connection at a Tariff V Distribution Supply Point that is not a Basic Connection Service;



**Tariff V Distribution Supply Point** means a Distribution Supply Point to which is assigned Haulage Reference Tariff – Residential V, Haulage Reference Tariff – Residential V Gippsland Towns, Haulage Reference Tariff – Residential V Yarra Valley Towns or Haulage Reference Tariff Non-residential V as determined by the application of clause 1 of Part B;

**Tax** means any royalty (whether based on value, profit or otherwise), tax, duty, excise, impost, levy, fee, rate or charge imposed by any Authority and which affects costs or revenues relating to:

- (a) the Distribution System (or any of its components);
- (b) the repair, maintenance, administration or management of the Distribution System (or any part of it) or
- (c) the provision of Reference Services.

**Terms and Conditions** means the terms and conditions referred to in clause 5.3 of Part A and as set out in Part C;

**Terrorism Event** means an act (including, but not limited to, the use of force or violence or the threat of force or violence) of any person or group of persons (whether acting alone or on behalf of or in connection with any organisation or government), occurring during the Access Arrangement period, which from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons (including the intention to influence or intimidate any government or put the public, or any section of the public, in fear) and which Materially increases the costs to the Service Provider of providing a Reference Service.

**Third Access Arrangement Period** means a period commencing on 1 January 2008 and ending on 31 December 2012;

Transfer Point means a point at which Gas is transferred from:

- (a) a Transmission Pipeline to a Distribution Pipeline; or
- (b) a Distribution Pipeline to a Distribution Pipeline;

**Transmission System** means a pipeline or a system of pipelines, for the high pressure transmission of Gas operated by AEMO principally in Victoria, and all related facilities, together with:

- (a) all structures for protecting or supporting the pipeline or system of pipelines;
- (b) facilities for the compression of Gas, the maintenance of the pipeline or system of pipelines and the injection or withdrawal of Gas;
- (c) all fittings, appurtenances, appliances, compressor stations, odorisation plants, scraper stations, valves, telemetry systems (including communications towers) and works and buildings used in connection with the pipeline or system of pipelines,

but excluding storage facilities (being facilities for storing large quantities of Gas) and the Distribution System;

Transmission Pipeline has the same meaning as in the GIA;

#### Unaccounted for Gas means;

(d) the difference between the amount of Gas injected into the Distribution System at Transfer Points servicing the Gippsland Towns area (as described in Schedule 3 of Part B of this Access Arrangement) and the amount of Gas withdrawn from the Distribution System at Distribution Supply Points servicing that area; and



(e) the difference between the amount of Gas injected into the Distribution System at all other Transfer Points and the amount of Gas withdrawn from the Distribution System at all other Distribution Supply Points,

including but not limited to leakage or other actual losses, discrepancies due to metering inaccuracies and variations of temperature, pressure and other parameters.

#### S2.2 Interpretation

- (a) In this Access Arrangement, unless the context requires another meaning a reference:
  - (1) to the singular includes the plural and vice versa;
  - (2) to a gender includes all genders;
  - (3) to a document (including this Access Arrangement and a Regulatory Instrument) is a reference to that document (including any Appendices, Schedules and Annexures) as amended, consolidated, supplemented, novated or replaced;
  - (4) to an agreement includes any undertaking, representation, deed, agreement or legally enforceable arrangement or understanding whether written or not;
  - (5) to a notice means a notice, approval, demand, request, nomination or other communication given by one party to another under or in connection with this Access Arrangement;
  - (6) to a person (including a party) includes:
    - (A) an individual, company, other body corporate, association, partnership, firm, joint venture, trust or government agency; and
    - (B) the person's agents, successors, permitted assigns, substitutes, executors and administrators; and
    - (C) where that person ceases to exist, is reconstituted, renamed or replaced, or where its powers or functions are transferred to another body, a reference to the body which replaces it or which serves substantially the same purpose or has the same powers or functions;
  - (7) to a law:
    - (A) includes a reference to any legislation, treaty, judgment, rule of common law or equity or rule of any applicable stock exchange; and
    - (B) is a reference to that law as amended, consolidated, supplemented or replaced; and
    - (C) includes a reference to any regulation, rule, statutory instrument, by-law or other subordinate legislation made under that law;
  - (8) to time is to Melbourne time;
  - (9) to Haulage Reference Tariff D, Haulage Reference Tariff L or Haulage Reference Tariff V includes a reference to a new Haulage Reference Tariff introduced pursuant to Part B which supplements or replaces Haulage Reference Tariff D, Haulage Reference Tariff L or Haulage Reference Tariff V respectively and related terms shall be construed accordingly; and
  - (10) to the word including or includes means including, but not limited to, or includes, without limitation;



- (11) to Part A, Part B or Part C is a reference to Part A, Part B or Part C of this Access Arrangement;
- (12) to provisions of:
  - (A) the National Energy Retail Rules are proposed National Energy Retail Rules set out on the website <u>www.mce.gov.au</u> as at 1 March 2012;
  - (B) Part 12A of the National Gas Rules are to Part 12A of the proposed National Gas (Retail Connection) Amendment Rules 2010 as set out on the website <u>www.mce.gov.au</u> as at 1 March 2012;
  - (C) Part 21 of the National Gas Rules are to Part 21 of the proposed National Gas (Retail Support) Amendment Rules 2010 as set out on the website <u>www.mce.gov.au</u> as at 1 March 2012,

and such references extend to the provisions of those Rules as they are then enacted and as those provisions are amended, consolidated, supplemented or replaced from time to time.

- (b) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (c) Headings are for convenience only and do not affect interpretation.
- (d) If a payment or other act must (but for this clause S2.2) be made or done on a day that is not a Business Day, then, unless a contrary intention appears, it must be made or done on the next Business Day.
- (e) If a period occurs from, after or before a day or the day of an act or event, then, unless a contrary intention appears, it excludes that day.
- (f) A reference to a thing (including, but not limited to, a right) includes any part of that thing.
- (g) A reference to a right includes a remedy, power, authority, discretion or benefit.