

6 November 2017

Mr Chris Pattas  
General Manager, Networks  
Australian Energy Regulator

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Dear Mr Pattas

**Response to Draft Decision on Ring-Fencing Waiver Applications**

The ACT Civil and Administrative Tribunal (ACAT) has the statutory role of jurisdictional energy ombudsman for the ACT. In this capacity, the ACAT has an important role in ensuring the effective operation of the energy market in the ACT. The ACAT also has a statutory remit to ensure that the rights of customers who make complaints against utilities are protected (*Utilities Act 2000*, s 171).

In this context, the ACAT wishes to advise the AER that it supports the draft Decision to approve a waiver from ring-fencing requirements for the following activity undertaken by ActewAGL Distribution in conjunction with its electricity network operations:

1. natural gas distribution in the ACT and Queanbeyan-Palerang

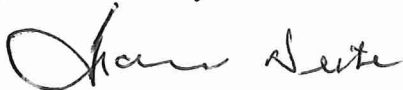
As the:

2. natural gas distribution in Nowra; and
  3. compressed natural gas (CNG) refuelling facility in Fyshwick
- fall outside the ACAT's jurisdiction, we make no comment about them.

The ACAT notes and supports the conditions attached to the proposed waivers.

In relation to the gas distribution network in the ACT, the ACAT considers that the public interest will be well served by maintaining common ownership of the electricity and gas businesses and ensuring through AER regulatory oversight that cross-subsidies are avoided.

Yours sincerely



Graeme Neate AM  
President

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