

GPO Box 520 Melbourne VIC 3001 Telephone: (03) 9290 1444 Facsimile: (03) 9663 3699

www.aer.gov.au

## STATEMENT OF REASONS

#### Australian Gas Networks South Australia 2018–19 gas tariff variations

On 19 April 2018, Australian Gas Networks (AGN) applied to the AER for variation of its South Australian (SA) distribution tariffs for the period 1 July 2018 to 30 June 2019. The application is based on the 2016–21 access arrangement approved by the AER on 26 May 2016.

The AER has considered AGN's application for the variation of the AGN SA distribution tariffs for the period 1 July 2018 to 30 June 2019 in accordance with sections 4.3, 4.4, 4.6 and Annexure E of the AGN SA access arrangement.

The AER is satisfied that AGN's application is compliant.

Having considered AGN's proposal of 19 April 2018 (and updated on 30 May 2018) stating the nature of the proposed tariffs, the AER approves these tariffs for commencement on 1 July 2018.

The approved 2018–19 distribution tariffs are set out in the section below.

# AGN SA

Haulage reference service tariffs (excl. GST)

| Tariff name – charges per network day, excl. GST | 2018/19 Tariff (\$) |
|--|---------------------|
| Tariff R – (excl Tanunda)                        |                     |
| Fixed Charge (\$/day)                            | 0.3080              |
| First 0.0274 GJ (\$/GJ)                          | 28.3485             |
| Next 0.0219 GJ (\$/GJ)                           | 11.6083             |
| Additional GJ (\$/GJ)                            | 3.9296              |
| Tariff C – (excl Tanunda)                        |                     |
| Fixed Charge (\$/day)                            | 0.6488              |
| First 0.9863 GJ (\$/GJ)                          | 14.0428             |
| Next 4.2740 GJ (\$/GJ)                           | 6.4238              |
| Next 11.1780 GJ (\$/GJ)                          | 2.7750              |
| Additional GJ (\$/GJ)                            | 1.6889              |
| Tariff R – Tanunda                               |                     |
| Fixed Charge (\$/day)                            | 0.3080              |
| First 0.0274 GJ (\$/GJ)                          | 36.8530             |
| Next 0.0219 GJ (\$/GJ)                           | 15.0907             |
| Additional GJ (\$/GJ)                            | 5.1084              |
| Tariff C – Tanunda                               |                     |
| Fixed Charge (\$/day)                            | 0.6488              |
| First 0.9863 GJ (\$/GJ)                          | 18.2556             |
| Next 4.2740 GJ (\$/GJ)                           | 8.3509              |
| Next 11.1780 GJ (\$/GJ)                          | 3.6075              |
| Additional GJ (\$/GJ)                            | 2.1955              |

### Demand Haulage reference service tariffs (excl. GST)

| Tariff name – monthly charges GL MDQ, excl. GST | 2018/19 Tariff (\$) |
|---|---------------------|
| Tariff D – Northern Zone                        |                     |
| 50 GJ or less (\$/month)                        | 2,544.4455          |
| Next 50GJ (\$/GJ MDQ)                           | 49.4751             |
| Next 900GJ(\$/GJ MDQ)                           | 30.8873             |
| Additional GJ (\$/GJ MDQ)                       | 9.3587              |
| Tariff D – Central Zone                         |                     |
| 50 GJ or less (\$/month)                        | 2,544.4455          |
| Next 50GJ (\$/GJ MDQ)                           | 58.7553             |
| Next 900GJ(\$/GJ MDQ)                           | 37.3657             |
| Additional GJ (\$/GJ MDQ)                       | 10.7081             |
| Tariff D – Southern Zone                        |                     |
| 50 GJ or less (\$/month)                        | 2,544.4455          |
| Next 50GJ (\$/GJ MDQ)                           | 69.2903             |
| Next 900GJ(\$/GJ MDQ)                           | 43.3943             |
| Additional GJ (\$/GJ MDQ)                       | 13.0866             |
| Tariff D – Port Pirie                           |                     |
| 50 GJ or less (\$/month)                        | 2,544.4455          |
| Next 50GJ (\$/GJ MDQ)                           | 49.4745             |
| Next 900GJ (\$/GJ MDQ)                          | 17.1462             |

| Additional GJ (\$/GJ MDQ) | 8.6148     |
|---------------------------|------------|
| Tariff D – Riverland      |            |
| 50 GJ or less (\$/month)  | 3,591.5455 |
| Next 50GJ (\$/GJ MDQ)     | 72.2398    |
| Next 900GJ (\$/GJ MDQ)    | 45.0148    |
| Additional GJ (\$/GJ MDQ) | 9.3587     |
| Tariff D – South East     |            |
| 50 GJ or less (\$/month)  | 2,544.4455 |
| Next 50GJ (\$/GJ MDQ)     | 49.4745    |
| Next 900GJ (\$/GJ MDQ)    | 25.5361    |
| Additional GJ (\$/GJ MDQ) | 9.3587     |
| Tariff D – Peterborough   |            |
| 50 GJ or less (\$/month)  | 3,591.5455 |
| Next 50GJ (\$/GJ MDQ)     | 72.2398    |
| Next 900GJ (\$/GJ MDQ)    | 45.0148    |
| Additional GJ (\$/GJ MDQ) | 9.3587     |
| Tariff D – Whyalla        |            |
| 50 GJ or less (\$/month)  | 2,544.4455 |
| Next 50GJ (\$/GJ MDQ)     | 49.4745    |
| Next 900GJ (\$/GJ MDQ)    | 25.5361    |
| Additional GJ (\$/GJ MDQ) | 9.3587     |

### Ancillary reference services (excl. GST)

|                                 | 2018/19  |
|---------------------------------|----------|
| Special Meter Read              | \$10.60  |
| Disconnection                   | \$73.00  |
| Reconnection                    | \$73.00  |
| Meter Removal                   | \$73.00  |
| Meter Reinstallation            | \$79.00  |
| Meter Gas and Installation Test | \$217.00 |