

## **STATEMENT OF REASONS**

### **ActewAGL gas distribution tariff variation for 2017–18**

On 15 March 2017 ActewAGL applied to the AER for variation of its distribution tariffs for the period 1 July 2017 to 30 June 2018. The application is based on the 2016–21 access arrangement approved by the AER on 26 May 2016.

The AER has considered ActewAGL's application for the variation of distribution tariffs for the period 1 July 2017 to 30 June 2018 submitted on 15 March 2017 (and revised on the 27 April 2017) in accordance with sections 7.2, 7.3 and 7.18 of the ActewAGL 2016–21 access arrangement.

The AER is satisfied that ActewAGL's application complies with the relevant principles and formulae set out in section 7.4 of the ActewAGL access arrangement.

Having considered ActewAGL's proposal of 15 March 2017 and revision of 27 April 2017 stating the nature of the proposed 2017-18 tariffs, the AER approves these tariffs for commencement on 1 July 2017.

The approved 2017-18 distribution tariffs are set out in the section below.

## ActewAGL

### (a) Demand Capacity Rates

Tariff Category	First 50 GJ of CD	Next 100 GJ of CD	Rest of CD
VRG	246.335	242.310	238.850
	First 50 GJ of CD	Next 100 GJ of CD	Rest of CD
DBC	265.196	253.590	249.502
	First 40 GJ of CD	Next 80 GJ of CD	Rest of CD
DBG	254.215	241.505	211.634

### (b) Demand Throughput Rate

Tariff Category	\$/GJ
DBT	3.528

### (c) Volume Throughput Rate

Tariff Category				
Block size (GJ per month)	First 1.25 GJ	Next 13.45 GJ	Next 45.30 GJ	Remainder
Block size (GJ per qtr)	First 3.75 GJ	Next 40.35 GJ	Next 135.90 GJ	Remainder
VRI	10.444	6.081	5.920	5.795
Block size (GJ per month)	First 1.70 GJ	Next 6.20 GJ	Remainder	
Block size (GJ per qtr)	First 5.10 GJ	Next 18.60 GJ	Remainder	
VRH	6.001	5.719	5.678	
Block size (GJ per month)	First 37.50 GJ	Next 372.00 GJ	Remainder	
Block size (GJ per qtr)	First 112.50 GJ	Next 1116.00 GJ	Remainder	
VRB	9.977	6.274	5.942	
Block size (GJ per month)	First 2.50 GJ	Next 95.00 GJ	Remainder	
Block size (GJ per qtr)	First 7.50 GJ	Next 285.00 GJ	Remainder	
VBS	8.014	6.216	6.025	
	<b>Minimum chargeable quantity of 666GJ/month for VBM</b>			
Block size (GJ per month)	First 350.00 GJ	Next 400.00 GJ	Remainder	
Block size (GJ per qtr)	First 1050.00 GJ	Next 1200.00 GJ	Remainder	
VBM	5.839	4.833	4.430	

**(d) Provision of Basic Metering Equipment Charges**

Tariff Category		MHQ <16 GJ/hr	MHQ >=16 to < 50 GJ/hr	MHQ >=50 to < 100 GJ/hr	MHQ >= 100 GJ/hr
All Tariff Categories for the Demand Tariff customer group	Single Run	6,780	9,321	14,405	18,624
	Double Run	13,558	18,643	28,811	37,247

Tariff Category		
All Tariff Categories for the Demand Tariff customer group	More than 15 meters (closed to new entrants)	1610.570

**(e) Fixed Charge**

Tariff Category	\$/annum
VRI	66.46
VRH	144.98
VRB	664.62
VRG	13,292.30
VBS	104.71
VBM	1,661.54

**(f) Ancillary Charges**

	Residential	Business
Requests For Service		83.07
Reconnection fee	40.50	48.61
Disconnection fee	121.51	162.03
Decommissioning & meter removal	648.09	1,109.85
Special meter read	16.20	16.20