

Our Ref: AER13/2847  
Contact Officer: Craig Madden  
Contact Phone: 03 9290 1443

10 December 2013


Mr Peter Bolding  
General Manager Regulatory and Strategy  
APA GasNet (Operations)  
180 Greens Road  
Dandenong South Vic 3164

Dear Mr Peter Bolding

**APA GasNet Transmission system 2014 tariff reset**

The AER has considered this matter and has decided, in accordance with the provisions of APA GasNet's Access Arrangement, to approve APA GasNet's proposed tariff components for regulatory year 2014. The proposed tariffs were submitted to the AER on 22 November 2013.

A Statement of Reasons is attached. Should you have any queries, please do not hesitate to contact Mr Craig Madden on 03 9290 1443.

Yours sincerely  
  
Chris Pattas  
General Manager  
Network Operations and Development

## **STATEMENT OF REASONS**

### **APA GasNet Tariff Reset for 2014**

On 18 October 2013 APA GasNet applied to the AER for variation of its transmission tariffs for the period 1 January 2014 to 31 December 2014. The application is based on the 2013–17 Access Arrangement approved by the AER on 29 April 2013.

On 18 September 2013, the Australian Competition Tribunal made an order for the AER to amend its decision for APA GasNet access arrangement. On 21 November 2013, the AER amended APA GasNet's Access Arrangement it approved on 29 April 2013 to reflect the tribunal's order.

On 22 November 2013, APA GasNet resubmitted the tariff variation application to the AER in accordance with the amended Access Arrangement.

The AER has considered APA GasNet's application for the variation of transmission tariffs for the period 1 January 2014 to 31 December 2014 submitted on 22 November 2013 in accordance with section D.1 of Schedule D of the APA GasNet Australia Access Arrangement.

The AER is satisfied that APA GasNet's application complies with the relevant principles and formulae set out in Schedule D of APA GasNet's Access Arrangement. Further, the AER considers that the forecasts used by APA GasNet are acceptable.

Having considered APA GasNet's proposal of 22 November 2013 stating the nature of the proposed 2014 tariffs, the AER approves these tariffs for commencement on 1 January 2014.

The approved 2014 transmission tariffs are set out in the section below.

## Injection Tariffs—2014

Note that the section numbering and table references below correspond to those in Schedule A of the APA GasNet Access Arrangement.

### (a) Injection at Longford Injection Zone

Matched Withdrawal Zone	Injection Tariff (\$/GJ, for the 10 Day Injection Volume)
All Withdrawal Zones except LaTrobe, Maryvale, Tyers, West Gippsland and Lurgi	1.9721
LaTrobe & Maryvale	0.3496
Tyers & Lurgi	0.4985
West Gippsland	1.1833

### (b) Injection at Culcairn Injection Zone

Matched Withdrawal Zone	Injection Tariff (\$/GJ, for the 10 Day Injection Volume)
All Withdrawal Zones except Interconnect	1.6004
Interconnect	0.3958

### (c) Injection at Port Campbell Injection Zone

Matched Withdrawal Zone	Injection Tariff (\$/GJ, for the 10 Day Injection Volume)
All Withdrawal Zones except Western, South West and SEAGas Pipeline	1.8199
Western and SEAGas Pipeline	-
South West	0.6403

(d) Injection at Pakenham Injection Zone

Matched Withdrawal Zone	Injection Tariff (\$/GJ, for the 10 Day Injection Volume)
All Zones	0.3184

(e) Injection at Dandenong Injection Zone

Matched Withdrawal Zone	Injection Tariff (\$/GJ, for the 10 Day Injection Volume)
All Zones	-

(f) AMDQ CC

Matched Withdrawal Zone	Injection Tariff (\$/GJ, for the 10 Day Injection Volume)
All Zones	0.0128

## Withdrawal Tariffs—2014

### (a) Transmission Delivery Tariff

Subject to the exceptions in clauses A.3(b), A.3(c), A.3(d), A.3(e) and A.3(f) of this Schedule, the Withdrawal Tariffs are as follows:

Withdrawal Zone Number	Withdrawal Zone Name	Transmission delivery tariff D (\$/GJ)	Transmission delivery tariff V (\$/GJ)
1	LaTrobe	0.1444	0.1445
2	West Gippsland	0.1726	0.1903
3	Lurgi	0.2008	0.2361
4	Metro North West	0.3190	0.3002
5	Calder	0.6763	0.8389
6	South Hume	0.4090	0.4138
7	Echuca	0.7902	1.1718
8	North Hume	0.8048	1.0384
9	Western	0.6226	0.8769
21	Warmambool	0.0973	0.1634
22	Koroit	0.2053	0.5457
10	Murray Valley	1.1838	1.6417
11	Interconnect	0.9201	1.4821
13	South West	0.1442	0.1444
17	Wodonga	0.7153	1.4821
18	Tyers	0.1777	0.1921
19	NSW Export	0.8000	NA
20	Metro South East	0.3190	0.3002
24	Geelong	0.1726	0.2031
25	Maryvale	0.0555	NA

### (b) System Export Tariff

Withdrawal Zone Number	Connected Transmission Pipeline Name	System Export Tariff (\$/GJ)
31	VicHub	0.0000
33	SEA Gas Pipeline	0.0188

### (c) Transmission Refill Tariff

Withdrawal Zone Number	Storage Facility Name	Transmission Refill tariff (\$/GJ)
23	LNG	0.0513
32	WUGS	0.0513

(d) Cross System Withdrawal Tariff

Injection Pipeline	Cross System Withdrawal Tariff D (\$/GJ)	Transmission delivery tariff V (\$/GJ)
All	0.1749	0.1558

(e) Matched Withdrawals - Culcairn

Withdrawal Zone Number	Withdrawal Zone Name	Transmission delivery tariff D (\$/GJ)	Transmission delivery tariff V (\$/GJ)
8	North Hume	0.2936	0.3390
11	Interconnect	0.1444	NA
17	Wodonga	0.1612	0.1879

(f) Matched Withdrawals - Metro (South East)

Withdrawal Zone Number	Withdrawal Zone Name	Transmission delivery tariff D (\$/GJ)	Transmission delivery tariff V (\$/GJ)
20	Metro South East	0.1409	0.1582