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Mr Sebastian Roberts
General Manager, Transmission and Gas
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

By email: JGNAAR2020-25@aer.gov.au

13 August 2019

Dear Mr Roberts,

Jemena Gas Networks (NSW) Access Arrangement 2020-25

AGL welcomes the opportunity to provide comments to the Australian Energy Regulator (AER) in relation to the Jemena Gas Networks (JGN)'s access arrangement proposal for its NSW gas distribution network for the period from 1 July 2020 to 30 June 2025 (2020 Plan) which was published in July 2019.

We have reviewed JGN's 2020 Plan, and much of the supporting information used to justify JGN's proposed revenue and network prices for the next regulatory period. As a retailer, we are unable to verify the operating costs and capital expenditure which JGN has proposed and understand there is a need to balance different needs such as cost efficiency vs service levels, capital expenditure vs operating expenditure, risk vs investment and long-term vs short term. Consequently, AGL has included its views on aspects of JGN's 2020 Plan which could provide some focus for the AER.

In addition, we have also reviewed JGN's Reference Service Agreement (RSA) which is an important document as it sets out the obligations of JGN and Users and included both general and specific comments on the proposed RSA.

If you have any questions in relation to this submission, please contact Meng Goh, Senior Manager Regulatory Strategy, on mgoh@agl.com.au or (02) 9921 2221.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Elizabeth Molyneux'.

Elizabeth Molyneux
General Manager Energy Market Regulation



A JGN's 2020-25 Plan

Over 2020-25, JGN is seeking a total of \$2,360M in revenue (in \$2020). However, in its proposal, JGN has decreased this by the revenue handback of \$169M to \$2,180M (on a smoothed basis). Compared with expected revenue over 2015-20 of \$2,300M (in \$2020), this is represented by JGN as a reduction in revenue in the next regulatory period of \$120M. This was also represented as a savings in the network component of 18% or \$244 for a 15GJ residential customer over 5 years.

In AGL's view, a more appropriate perspective is that, as the revenue handback was due to over-charging during 2015-20, the revenue requirement for 2015-20 should be reduced from \$2,300M to \$2,131M (\$2020). Table 1 uses this methodology to view JGN's 2020 Plan. Compared with the \$2,360M in revenue proposed for 2020-25, the JGN proposal therefore results in a real increase in revenue requirement of 10.7% or \$229M (in \$2020). On this basis, the 2020 Plan proposes material increases in revenue requirement rather than a reduction of \$120M.

Table 1: Summary of JGN's 2020 Plan

\$million, \$2020	2015-20	2020-25	Change
Operating costs	917	1,037	+120
Net capital expenditure	1,011	899	-112
EBSS	-	62	+62
Revenue requirement*	2,131	2,360	+229
Opening RAB	3,369	3,436	+93

* revenue handback adjusted in 2015-20, instead of 2020-25

Other significant elements of JGN's 2020 Plan are:

- real increases in opex of \$120M, or 13% compared with 2015 Plan;
- real reduction in capex of \$112M, or 11% compared with 2015 Plan;
- revenue handback of \$169M in 2020;
- additional EBSS revenue of \$62M;
- a WACC reduction of 0.45% to 4.96%;
- re-classification of corporate costs from capex to opex;
- accelerated depreciation for mains and meters; and
- limited growth in opening RAB of \$93M or 2.7%.

Customer engagement

JGN's 2020 Plan has outlined its customer engagement program and outcomes in significantly more detail than its previous plan. We note that the JGN customer engagement program has involved 333 customers compared with a customer base of 1.4 million.

JGN's engagement has revealed that affordability was the key issue for residential, small business and large users. Importantly, residential customers were generally not prepared to compromise current service standards and that they were satisfied with current service standards and would not want to pay for these to be increased. Residential customers were also in favour of JGN investing in the gas network for the future. AGL agree with these views.

AGL also acknowledges that JGN has significantly improved with its engagement with AGL, as a retailer, prior to the submission of its 2020 Plan to the AER. JGN has held many meetings and discussions with AGL which have been informative. However, the majority of feedback provided by AGL have not been taken into account. AGL continues to have concerns with sections of the RSA which have not been resolved and these are included with this submission for consideration by the AER.



Operating costs

Operating costs are forecast using the base-step-trend approach using a 'base' year adjusted for non-recurring costs and specific forecasts. Specific costs are unaccounted for gas (UAG), licence fees and government levies, and debt raising costs.

Operating costs are forecast to increase from \$917M over 2015-20 to \$1,037M over 2020-25 (in \$2020), a real increase of 13% or \$120M. The main increases are due to:

- changes in specific forecasts and step changes primarily due to UAG and reclassification of intelligent pigging and inspection costs - \$47M,
- changes in treatment of corporate overheads - \$76M,
- input costs and scale costs - \$53M, and
- offset by savings in transformation costs (\$53) and ongoing productivity (\$19M).

We consider that it is reasonable that costs, such as corporate costs and intelligent pigging costs, are treated appropriately as either operating costs (expensed) or capital expenditure (capitalised) depending on whether the costs continue to have benefits in future years. We note that the proposed re-classifications have a significant contribution (\$84M) to higher revenue requirement in the 2020 Plan.

Aside from the re-classification of costs, AGL notes that the 2020-25 UAG costs will be 36% or \$41M higher than 2015-20 as a result of higher wholesale gas prices and higher volumes.

Accelerated depreciation

Due to uncertainty related to a low carbon future, JGN is proposing to reduce the period over which new standard assets are depreciated. The asset lives of trunks and high-pressure mains are proposed to be reduced from 80 years to 50 years while medium pressure mains and services will be reduced from 50 years to 30 years. This increases the revenue requirement in the 2020 Plan by \$22M over 2020-25.

In addition, the depreciation of high-pressure pipeline inspections, undertaken by intelligent 'pigs', will be accelerated from a 72 year remaining asset life to 5 years by 2024-25. The revenue impact of this change will be \$15M over 2020-25.

The total impact of this change of \$37M is not immaterial. While we share JGN's concerns about length of asset lives of up to 80 years and the future of the gas network, we also agree with other stakeholders' view that these changes should be supported by evidence of threats to the viability of the network.

By accelerating depreciation, JGN is mitigating their risk of investment by increasing the costs to customers. AGL suggests that the AER consider if this balance is reasonable, and whether this level of risk mitigation will detract from JGN making well considered investment decisions.

Capital expenditure

Determining the level of efficient capital expenditure can be difficult as some costs may be discretionary and can be deferred, and there are significant trade-offs between short-term and long-term requirements.

Certain capex, such as augmentation and IT programs, may be deferred but when allowed for in the access arrangement, will form part of the revenue requirement. By delaying or not spending the allowed capex, JGN will earn higher revenue than would have been allowed if the reduced capex was used to determine the revenue requirement. We do note that JGN is expected to spend 6% less than the allowance set by the AER for 2015-20.

Table 2 shows the changes in JGN's capital expenditure in the 2020 Plan. JGN has proposed net capex which is \$112M lower than over 2015-20. There is significant reduction in capex due to lower new connection costs (\$112M) and the re-classification of costs from capex to opex which account for \$84M



(\$76M corporate, \$8M intelligent pigging). These are offset by increases in metering expenditure, augmentation and mains replacement. Excluding the re-classification of costs, the proposed reduction in capex is only \$28M or 2.8%.

Table 2: Changes to JGN’s 2020 Plan Capital Expenditure

\$million, \$2020	2015-20	2020-25	Change
Connections	592	480	-112
Metering	106	146	+40
Facilities and pipes	78	89	+11
IT	119	107	-12
Augmentation	50	75	+25
Mains replacement	34	55	+21
Others	47	35	-12
Corporate overheads re-classification	-	-76	-76
Gross capex	1,025	913	-112
Customer contributions	15	13	-2
Net capex	1,011	899	-112

Source: JGN Table 5.1

We understand that the reduction in investment in connections is related to the installation of boundary meters. JGN’s regulatory information notice showed that JGN expects to connect 122,000 new customers over 2020-25, materially lower than 202,000 new connections over 2015-20. This is about 40% less connections but connection capex is reduced by only 19%.

Overall, while we support the trend in capex which will limit the growth in the RAB, it is important to assess if the level of capex is efficient. AGL generally support improvements in metering but given that the increase in metering investment contributes the largest increase, the \$40 million increase should be closely reviewed. As another example, although the IT capex for the 2020 Plan is lower than for the 2015-20 regulatory period, the proposed IT capital expenditure for each year over 2020-25 is actually higher than the level of IT capex in 2019-20 (Figure 5.9 in the JGN’s 2020 Plan).

We also note that even with the reduction in capex, the opening RAB is still forecast to increase by \$93M or 2.8% from 2019-20 to 2024-25.

Incentive schemes

JGN is forecasting additional revenue of \$62M over 2020-25 under the efficiency benefit sharing scheme (EBSS) or efficiency carryover mechanism (ECM). This efficiency carryover appears to be incongruous as proposed 2020-25 opex is \$120M or 13% higher than over the current regulatory period (although we recognise that some of this increase relate to the re-classified costs and accelerated depreciation).

JGN has proposed 6 measures and their weightings to determine an index to assess the incentive payment (see Table 3).

Table 3: JGN’s 2020 Plan Incentive measure

Measures	Weighting
Unplanned SAIFI	10%
Unplanned SAIDI	10%
Mains and services leaks	25%
Meter leaks	15%



Poor quality events	25%
Estimated meter reads rate	15%

Source: JGN Attachment 7.11

AGL would highlight one of the measures, the estimated meter reads rate. The target % of estimated meter reads is 5.93%, excluding estimates considered to be due to events outside of JGN's control (e.g. entry was locked, meters were obstructed or removed, or access was reduced or unsafe). Estimated meter reads have been a significant issue for AGL as they create billing issues, increases in customer service costs and often result in poor customer experience. AGL would prefer to see the weighting of 15% to be higher.

In addition, JGN has proposed an additional incentive scheme, a capital expenditure sharing scheme (CESS) which will affect the revenue requirement in 2025-20, not in 2020-25. The relevant capex in the 2020-25 regulatory period will form the base line for the incentive under the CESS to be applied in the 2025-30 regulatory period. The CESS is supposed to provide JGN with an incentive to increase the efficiency of any capital expenditure.

JGN is proposing to apply the CESS to total capex excluding new connections capex. In assessing the incentive, there will also be adjustments for deferred capex and non-conforming capex, which is reasonable. However, it is important that the proposed capital expenditure for 2020-25 is properly assessed and set at efficient levels to avoid consumers having to pay for excessive capital expenditure in this period and in the subsequent CESS recovery. AGL understands the role of incentive-based regulation but to date has found that incentive schemes are too opaque and appear difficult for the AER to assess whether there was efficiency improvements or just deferral of expenditure.

AGL also queries how the movement to a CESS aligns with the JGN proposal for shorter asset lives, the subsequent accelerated depreciation of assets and therefore JGN's reduced risk of capital investment.

Boundary metering

AGL notes JGN's plan to improve the cost effectiveness and penetration of gas by providing boundary meters. JGN intends to withdraw its individual hot water metering product from 1 July 2020 so that new apartment buildings with centralised hot water systems will only be connected through a single boundary meter.

AGL agrees that this will simplify the metering solutions for JGN as well as for retailers. We understand that this approach will allow gas to be made available to customers more economically using current metering. We note that JGN is forecasting the connection of 106,000 apartments by 2025 using this metering solution. On the basis that each boundary meter will service about 88 apartments, this means that JGN expects to install about 1,200 boundary meters by 2025.

AGL supports JGN's approach in setting prices for boundary tariffs to take account of cost reflectivity and to enable the end-product delivered by the ENP to be competitive.

Price path

JGN has proposed a 'dip and return' price path which declines in real terms during the first 3 years (13.26%, 5% and 5%), following by real increases of 3.35% each year in the last 2 years. This reflects JGN's effort to smooth retail bills by mitigating forecast changes in wholesale gas prices.

AGL support the avoidance of retail price shocks but forecasting changes in wholesale gas prices over 5 years is challenging and could result in increased volatility in customer bills if JGN has not predicted the price path correctly. We suggest that JGN focus on smoothing network prices over the period, allowing retailers to manage the final retail prices. For example, there were materially higher UAG costs over 2015-20 due to wholesale gas costs.



We also note that the cost of UAG over 2020-25 is relatively flat in each of the 5 years which is not consistent with the forecast increases and decreases in wholesale gas prices.

Tariff variation mechanism

JGN proposes to retain its current set of tariff classes and the tariff variation mechanism.

AGL supports the retention of the current tariff variation mechanism which uses a weighted average price cap (WAPC) using the CPI-X price control formula with no adjustment for changes in actual gas consumption. This provides greater certainty for retailers and customers unlike the revenue cap approach in electricity distribution determinations which has created significantly price variations from one year to another due to the wash-up of actual electricity consumption.

Demand forecasts

Over the 2020-25, JGN anticipates total demand by residential and small business (Tariff V) to increase each year while usage per connection declines slightly.

The number of residential connections is forecast to increase from 1.42 million to 1.5 million from 2021 to 2025 and annual residential demand will increase from 26.59 PJ to 27.55 PJ from 2021 to 2025. We understand that with boundary meters, there will be fewer connections but to maintain like-for-like reporting, the number of connections include the number of units behind a volume boundary meter. JGN anticipates 106,000 customers to be connected in this manner.

The number of small business connections is forecast to increase from 37,569 in 2021 to 39,630 in 2025 and annual small business demand will increase slightly from 13.09 PJ to 13.29 PJ from 2021 to 2025.

For industrial customers, MDQ and ACQ are anticipated to continue to decline over the period with total ACQ decreasing from 45.8 PJ to 42.1 PJ from 2021 to 2025 and total MDQ reducing from 232.1 TJ/day to 212.5 TJ/day. Overall, JGN expects total gas demand to decrease as shown in Table 4.

Table 4: JGN's 2020 Plan Demand forecasts

ACQ (PJ)	2021	2025
Residential	26.59	27.55
Small business	13.09	13.29
Industrial	45.85	42.09
Total	85.83	82.93

Source: JGN Attachment 8.1

AEMO released its Gas Statement of Opportunities (GSOO) report in March 2019. For eastern and south-eastern Australia, in the short term (2019-24), residential and commercial sector gas consumption is projected to grow. This scenario is broadly consistent with JGN's forecast. AEMO's forecast takes account of energy efficiency, fuel switching and price response.

In relation to industrial loads, however, the 2019 GSOO forecast minimal change in the Neutral scenario with variations across regions. Under a Slow change scenario, there is some decline in the short to medium term (2019-29) reflecting the potential closure of large industrial loads and declining production in a weakening global and domestic demand scenario.



Changes to ancillary services

JGN has proposed some changes to ancillary charges and AGL has no material concerns with most of the changes.

However, we note that JGN has proposed that network charges will cease 20 Business Days after disconnection for all volume customers. This means that network charges continue to be payable even when gas supply has been stopped. This represents “fee for no service” and AGL expects network charges to cease when disconnection has taken place. Retailers are unable to recover these network charges from customers. Under the clause 508(1) of the National Gas Rules, if a retailer is not permitted to recover distribution charges from a shared customer, then neither is the distributor permitted to recover those charges from the retailer.

JGN has also separated out a wasted visit charge from the cost of a completed visit to recover costs from those who cause them. AGL has no concern with the fee but AGL expects JGN to have a transparent process in place including appointment arrangements and cancellation periods.

JGN has proposed to continue with the combined disconnection and reconnection fee. In AGL’s view, these charges should be separated as customers who are disconnected may churn to another retailer. It is not reasonable for a retailer to pay the reconnection cost of a customer who has churned away. As with the wasted visit charge, the ‘causer pays’ principle should apply. In Queensland, South Australia and Victoria, these charges are separated.



B Reference service agreement

The RSA sets out the obligations between JGN and Users (retailers). AGL notes that JGN has considered that the wording and structure of the AA and RSA has generally proven satisfactory over the current 2015 Plan. AGL disagrees with this view. JGN's RSA is one-sided, key risks do not sit with the party best able to manage them and it does not include any performance standards. The RSA does not reflect the shared responsibility to customers which underlie the National Energy Retail Rules and the deemed connection contract with end customers. The RSA is predicated on the basis that JGN has no relationship with the customer so that the retailer is required to be involved as the intermediary between JGN and the end customer.

Instances of the unbalanced bargaining position of retailers and JGN include:

- obligations on retailers which cannot be met under certain circumstances,
- retailers to provide facilities and access to assets owned by JGN,
- retailers charged when JGN relocate a meter due to access issues which is JGN's responsibility,
- continuing to charge a delivery point after it has been disconnected, and
- long timeframes to respond for work requests.

AGL strongly recommends that the AER review the RSA and ensure that the it provides a reasonable balance of risk between the JGN and retailers for the benefit of the end customer.

In its determination process for JGN's Access Arrangement 2015-20, the AER considered many concerns of retailers regarding the terms and conditions of the RSA to be matters that could be dealt with commercially. While AGL generally considers that commercial arrangements are best managed by negotiation between distribution networks and users, it is important to recognise that, in practice, these negotiations are often difficult due to the uneven balance of power between the two parties. Often, the RSA is presented by the monopoly service provider as a default arrangement with little or no negotiation, and little to no ability for a retailer to compel performance.

Legal recourse is expensive and time consuming. In 2017, AGL launched legal proceedings against JGN for failure to provide timely meter reads according to the RSA. A confidential summary of this action is included in Attachment A. In AGL's opinion, this action effectively demonstrated the issue with relying on bilateral agreements with a monopoly provider and the potential adverse outcomes for AGL and our customers. It is unreasonable that AGL should have had to spend 3 years in commercial dispute to compel a regulated monopoly service provider to perform a service to a reasonable standard.

Further specific comments on clauses in the RSA are provided in Attachment B.



Attachment A: Summary of AGL v Jemena negotiation (Confidential)

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Attachment B: Reference Service Agreement – AGL comments

Clause	AGL comment
Definition: Day	This definition is better described as a 'Gas Day' (i.e. 6:00 – 6:00) as distinct from Business Days. 'Gas Days' should be used for operational/metrology purposes and Business Days for notification or contractual purposes.
Definition: Volume boundary delivery point	This is not defined.
4.6 & 4.7 Increases and Decreases in Chargeable Demand	4.6 allows JGN to continuously increase chargeable demand monthly but 4.7 only allow reductions in chargeable demand after 12 months. Since demand can be increased monthly, it would mean that it may never be possible to submit a reduction request. AGL propose that increases and decreases in chargeable demand should be symmetrical, either limited to a 12 month wait or remove the 12-month wait.
5.4 Procedure for authorisation of Overruns	Requesting overruns should be after AEMO has published the STTM schedules which occurs at mid-day. AGL do not agree with the change in the time to notify from 4pm to mid-day, although a change to 1pm is acceptable. The use of 'Day' and Business Day may be confusing.
5.6 Revocation	JGN should use best, not reasonable endeavours to revoke authorised overruns.
6.1 Unauthorised Overrun	Under 6.1(b) JGN may install flow control mechanisms, at the User's cost. Other than the reasons in 6.1(c), there should be some consideration of the materiality and likelihood of future unauthorised overruns.
10.1(a) Specification Gas	<p>(a) This clause has been amended to include gas purchased by the User through the STTM. A User purchasing gas through the STTM has no relationship with any particular shipper so this potentially creates a liability which a User cannot manage.</p> <p>(b) If JGN delivers gas which does not meet specification, it is unclear whether the User may be held liable for any consequential loss or damage. There should be a clear statement that JGN would not hold a User responsible for any consequential loss or damage as a result of JGN's actions.</p>
10.2 Amendment of Specification	JGN must use best, not reasonable, endeavours to notify the User prior to any change in Specification.



10.5 User to satisfy JGN	This clause is too general and should only apply where the User has such facilities at the Receipt Point. The majority of facilities are owned by JGN.
10.6 User's preventative measures	This clause requires users to have contractual means and management procedures to prevent the delivery of off-specification gas. A User purchasing from the STTM has no control over the specification of gas and therefore cannot meet this obligation.
10.8 Exemptions to Specifications	The User as well as JGN should not be liable as a result of the Director General's direction.
10.9 Gas source, 10.10 User responsible for Gas Testing and 10.11 Gas Testing by User	These clauses cannot be met by a user purchasing gas from the STTM.
11.4 Energisation under NERL	<p>This clause allows JGN to allocate unclaimed supply points to the Local Area Retailer as designated by the NSW Government i.e. AGL. AGL proposes that JGN should be required to contact the customer to advise them to seek a retailer prior to allocating the customer to the Local Area Retailer. If this is unsuccessful, then to allocate to the local retailer. This prevents a poor customer experience and reduce confusion for customers who may have signed to a retailer other than AGL.</p> <p>As JGN is responsible for identifying these customers (through its meter reading process), there should be no backdating of charges – charges should commence only after allocation.</p>
12 Deletion of Delivery Points from Customer List	Deleting a Volume Customer Delivery Point 20 Business Days after disconnection means that the User will continue to incur standing charges for about a month after gas supply has ceased. When requested to de-energise for termination of a customer contract, the delivery point should be removed from that date and charges should cease.
13 Change of Receipt Point or Delivery Point	This clause allows JGN to reject changes to receipt or delivery points on 'reasonable commercial or technical grounds' such as "where JGN would not receive at least the same amount of revenue relative to the amount it would have received before the change". Disallowing change on the basis that it will reduce JGN's revenue is not a sufficient reason to reject a change of delivery point. JGN should not be able to object if there is no risk to system security.
15.9 Disconnection and Abolishment of Delivery Points	(a) Currently, JGN has an auto-rejection process in place where if there is "no customer details found", the disconnection fails. Under the NERR, a retailer has the right to disconnect a customer for non-identification. The JGN process prevents this process, leaving the retailer with uncontracted customers and no means to disconnect or reduce debt.



	<p>(b) Where the User has requested a Demand Customer Delivery Point to be disconnected or abolished, JGN has up to 30 Business Days to provide the user with an offer to disconnect. This timeframe is unacceptable particularly where the disconnection is for non-identification or debt.</p> <p>(c) This clause removes JGN's liability for disconnections where JGN is unable to obtain 'clear and safe' access to the Delivery Station. This is unacceptable as it will be too easily applied by JGN as a reason for not undertaking disconnections and instead, allowing JGN to charge the User a visit fee. The delivery points are largely JGN's assets and JGN is responsible for access and maintenance of their own assets. Access issues have arisen from JGN's initial installation in poor/low access positions and not relocating the meter.</p> <p>(d) The clause requires a new connection with applicable charges where a Demand Customer Delivery Point has been disconnected. If a Demand Point is disconnected, not abolished, a re-connection should be sufficient. A new connection request (including the requirements for new MDQ) increases costs to the User and the customer, and may require the same customer to fund additional pipeline augmentation which they had previously funded</p> <p>(e) (ii) JGN, not the User, should have the required information to disconnect the assets they own.</p> <p>(f) Attendance by the User at a Large Customer Delivery Point should only be by agreement.</p>
16.3 Basic Metering Equipment Downgrade	This clause allows JGN to downgrade the customer's meter and charge the User. It is not sufficient that only load or pattern of usage by the Customer is considered. More information is required on process and options for the customer and the User, compensation for the unexpended life of the asset and re-usability of assets and other considerations.
16.4 Maintenance of Basic Metering Equipment	Under this clause, JGN can require the User to procure the co-operation of the Customer. Under the NERR, distributors have a relationship with customers and can therefore procure their own co-operation without the involvement of retailers.
16.5 Safe Access to Measuring Equipment	This clause requires the User to provide reasonable assistance to JGN to access the meters. Under the NERR, distributors have a relationship with customers and can therefore manage access to their own equipment. JGN is the asset owner and should take responsibility for their own assets.
16.6 Entry and Access to Delivery Points	<p>This clause requires the User to provide reasonable assistance to JGN to enter and access any Delivery Point. Under the NERR, distributors have a relationship with customers and can therefore manage access to their own equipment.</p> <p>Requiring the User or the Customer to reimburse all of JGN's costs (including internal costs) associated with site induction or safety training is unreasonable.</p>
16.7 Consequence of no access (c)	This clause allows JGN to relocate metering equipment at the User's cost. This is unacceptable. JGN should manage their connection agreement with their customer and take responsibility for their own assets.



17.4 Meter reading and data	This clause does not cover hot water meters. The obligations on meter reading and asset management for hot water meters should be consistent with those of gas meters.
	The AEMC has determined a rule change, commencing 1 February 2019, to allow a customer who has received an estimated bill to ask the retailer to adjust the bill by providing their own reading of the meter. JGN should also accept these meter reads when to charge retailers.
19.5 Theft of Gas	This clause allows JGN to invoice the User for the difference in charges due to theft. This clause does not set any time limits. Under JGN's deemed standard connection contract (Feb 2019), JGN can recover the difference in charges due to theft from the Customer.
20.12 Set Off	This clause has been deleted. AGL would like this clause re-instated.
23.3 Emergency interruptions	There should be a specific notice of emergency issued by JGN to Users. It may be difficult for Users to manage their liabilities if there is no clear declaration of an emergency.
23.4 Load Shedding	(a) Direct actions by JGN to curtail or interrupt supply can have market impacts. In the STTM, oversupply or shortfall can be managed through market mechanisms.