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27 April 2011

Mr Warwick Anderson General Manager Network Regulation Branch Australian Energy Regulator

Email: <u>gldsagas@aer.gov.au</u>



Dear Mr Anderson,

APT Allgas revised Access Arrangement proposal

AGL Energy Limited (**AGL**) welcomes the opportunity to comment on the Draft Decision APT Allgas Access Arrangement proposal for the Qld gas network (**Draft Decision**) published by the Australian Energy Regulator (**AER**) and the revised APT Allgas Access Arrangement (**Access Arrangement**) for the period 1 July 2011 to 30 June 2016.

As noted in our previous submission¹, AGL did not support the amendments to the definitions of a Volume Customer and a Demand Customer. AGL acknowledges that the APT Allgas has amended the definitions in the revised Access and we agree with the amended definitions.

APT Allgas proposed to exclude the relighting of appliances during inlet reconnection service. AGL submitted that we were concerned with the safety aspects surrounding customers attempting to relight appliances. We acknowledge that APT Allgas has amended this proposal in their revised Access Arrangement to include, as part of the inlet reconnection service, the relighting of appliances installed at the place or premises to which gas is delivered.

AGL submitted that APT Allgas should provide a basis for the calculation of surcharges and a complete list of events which would trigger a surcharge. AGL also requested that surcharges be approved by the AER prior to being charged. We agree with the amendments proposed by the AER in the Draft Decision and acknowledge that these amendments have been reflected in the revised Access Arrangement.

AGL raised a number of items relating to notification timeframes relating to the reference tariff policy. APT Allgas has amended the Access Arrangement timeframes relating to lodgement of their proposed tariff variation to the AER. This now provides the AER with approximately 30 business days to assess the tariff notification and users with 20 business days to implement the tariff changes. The amendments within section 4.5.3 and section 4.5.4 have addressed our concern that a 10 business day notification period for retailers does not provide users sufficient time to adjust retail tariffs.

AGL appreciates the efforts by all parties in producing the above outcomes. Please contact Sallie Proctor, Manager Regulatory Compliance and Advice on (03) 8633 7871 or at <u>sproctor@agl.com.au</u> if there are any follow up issues.

Yours sincerely,

Alex Cruickshank Head of Energy Regulations

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Being selected as a member of the Dow Jones Sustainability Index 2006/07
Gaining accreditation under the National GreenPower Accreditation Program for AGL Green Energy®, AGL Green Living® and AGL Green Spirit

¹ AGL APT Allgas Access Arrangement submission dated 26 November 2010