



**Australian
Gas Networks**

Attachment 15.2

Summary of Changes to Access Arrangement

Final Plan 2023/24 – 2027/28

July 2022

1. Introduction

This attachment summarises the changes to Australian Gas Networks Limited (AGN) Access Arrangement (AA) Document to apply to the Victorian and Albury gas distribution networks over the next (2023/2024 to 2027/2028) AA Period.

The AA Document sets out the proposed prices, terms and conditions under which we offer access to our networks. The format of the proposed AA Document remains largely unchanged from the current (2018 to 2022/23) period AA Document.

The proposed changes to our current AA fall into the following categories:

- feedback from our Retail Reference Group (RRG);
- align our approach with other network businesses' approved AA; and
- changes to more closely align the drafting of particular provisions with the National Gas Rules (NGR) particularly where the rules have been amended since the commencement of the 2018 to 2023 AA Document.

The key changes are outlined in the Table 1 below. This table does not include mechanical drafting or other formatting changes (e.g. paragraph renumbering, new or amended subheadings).

2. AA Document Amendments

The key changes to the AA Document are outlined in the Table 1 below. This table does not include mechanical drafting or other formatting changes (e.g. paragraph renumbering, new or amended subheadings).

Table 1: Explanation of proposed revisions to the current AA

Section	Overview	Summary of Proposed Changes
1. Introduction	Purpose, commencement date, and contacts details for the AA.	Key changes proposed include: <ul style="list-style-type: none"> Revision of Commencement Date (1 July 2023). Updated Contact Details.
2. Services	A description of the services AGN will provide over the next AA period.	Key changes proposed include: <ul style="list-style-type: none"> The addition of a table describing the Pipeline Services that AGN VIC or AGN Albury can reasonably provide on the respective Gas Distribution Systems. The addition of a summary of the Reference and Ancillary Services that AGN VIC or AGN Albury provide on the respective Gas Distribution Networks.
3. Reference Tariffs	An overview of our reference tariffs over the next AA period.	Key changes proposed include: <ul style="list-style-type: none"> Updates to the Initial Reference Tariff date (1 July 2023) and Ancillary Reference Tariff dates (2023/2024). Update to the CPI increase date (1 July 2024).
4. Reference Tariff Policy - General	A description of how the reference tariffs are determined, how Network Users are assigned tariffs and the basis for their annual adjustment through the Reference Tariff Control Formulae and the Cost Pass Through Event Adjustment over the next AA period.	Key changes proposed include: <ul style="list-style-type: none"> Updated dates as required and references to the Seventh Access Arrangement Period. Removal of the reference to Fixed Principles applying to the Fifth Access Period to give effect to multi-period elements of incentive mechanisms.

5. Reference Tariff Policy – Incentive Mechanisms	A description of how the incentive arrangements will apply over the next AA period.	Key changes proposed include: <ul style="list-style-type: none"> • Updated dates as required. • Updated to reflect proposed incentive mechanisms for 23/24 to 27/28 review period.
6. Terms and Conditions	An overview of our proposed terms and condition and the conditions that a Prospective Network User must satisfy prior to entering into an agreement.	Key changes proposed include: <ul style="list-style-type: none"> • The inclusion of the requirement for an email address (replacing a facsimile number) for the service of notices. • Replacement of a reference to the NECF to a reference to credit support regulated by the National Gas Rules. • The inclusion of a rating by Moody’s Investors Services as an acceptable credit rating.
7. Capacity Trading	A description of the capacity trading and queuing requirements for our networks over the next AA period. This section also details the processes for changes to Delivery Points.	No changes.
8. Network Extension and Expansions	A description of the regulatory treatment of network extensions and expansion over the next AA period.	Minor wording changes to clarify conforming and non-conforming capital expenditure references.
9. Speculative Capital Expenditure	A description of how non-conforming capital expenditure will be treated by AGN in the next AA period.	No changes.
10. Review of the Access Arrangement	The date the next revised AA will be provided to the AER and the commencement date of the next AA Document.	Clause 10 has been updated to include: <ul style="list-style-type: none"> • Revisions Submission Date (on or before 1 July 2027). • Revisions Commencement Date (1 July 2028).
11. Glossary	Defines terms used throughout the AA Proposal	Key changes include the removal of Allowable NIS Expenditure definition, amendment of Annual MHQ to apply to the Financial rather than Calendar year, the insertion of a definition for Financial Year and Seventh Access Arrangement Period, as well as the amendment of the definition of Gas to provide for any changes made to the National Gas Law to incorporate renewable gases and the removal of the redundant definition for Water in Mains.
Annexure A	AGN’s Victorian and Albury Gas Distribution Region	No Changes

Annexure B	Tariff Schedule – 2023/24	Key changes proposed include: <ul style="list-style-type: none"> Updated the Tariff Schedule from 2018 to Tariff Schedule 2023/24.
Annexure C	Calculation of Charges for Delivery Points	Key changes proposed include: <ul style="list-style-type: none"> Revisions to cease to charge the fixed component of the fees and fees for the quantity of gas consumed for volume delivery points during any period of disconnection. Updates to dates as required. Amendments to change references to a Calendar Year to a Financial Year as required.
Annexure D	Reference Tariff Control Formulae	Updated to reflect 23/24 to 27/28 review period.
Annexure E	Specific Terms and Conditions	Removal of Facsimile number for Notice Details.
Annexure F	General Terms and Conditions	Refer to Attachment 15.1, Table 2.
Annexure G	Asset Performance Index	Updated to reflect proposed incentive mechanisms for 23/24 to 27/28 review period.



See separate documents

Access Arrangement

1 July 2023 to 30 June 2028

Victorian and Albury gas distribution networks -
(clean)

and

Access Arrangement

1 July 2023 to 30 June 2028

Victorian and Albury gas distribution networks -
(marked up)