



**Central Ranges Pipeline Pty Limited  
ABN 38 108 218 355**

16 April 2014

Mr Chris Pattas  
General Manager  
Network Operations and Development Branch  
Australian Energy Regulator  
GPO Box 520  
Melbourne VIC 3001

**By Email**

Dear Mr Pattas,

**CENTRAL RANGES PIPELINE GAS NETWORK  
NOTIFICATION OF ANNUAL TARIFF INCREASE**

**(For Reference Tariff Effective 1 July 2014 to 30 June 2015)**

In accordance with section 3.2, 3.3, 3.4 and 3.4A of the Central Ranges Pipeline (CRP) Gas Network approved Access Arrangement as amended, please be advised that Central Ranges Pipeline Pty Limited intends to vary the CRP Gas Network 2013/14 Reference Tariff as per the tariff escalation method in 3.3:

$$RT_n = RT_{n-1} \times \left( \frac{CPI_{n-1}}{CPI_{n-2}} \right)$$

Where:

**CPI** means the Consumer Price Index (All Groups - Weighted Average Eight Capital Cities) published quarterly by the Australian Statistician. If the Australian Statistician ceases to publish the quarterly value of that Index, then CPI means the quarterly values of another Index which CRP reasonably determines most closely approximates that Index.

**CPI<sub>n-1</sub>** means the value of the average of the CPIs for the four quarters to December in Year<sub>n-1</sub>.

**CPI<sub>n-2</sub>** means the value of the average of the CPIs for the four quarters to December quarter in Year<sub>n-2</sub>.

**RT<sub>n</sub>** means the Reference Tariff in Year<sub>n</sub>

**RT<sub>n-1</sub>** means the Reference Tariff in Year<sub>n-1</sub>



The CPI figures used in this correspondence to calculate the average of the CPI for the four quarters to December 2012 and December 2013 are the *CPI (All Groups – Weighted Average Eight Capital Cities)* as published by the Australian Bureau of Statistics:

	March	June	September	December	Average
2013 (n-1)	102.40	102.80	104.00	104.80	<b>103.50</b>
2012 (n-2)	99.90	100.40	101.80	102.00	<b>101.03</b>

$$\text{CPI}_{n-1} = 103.50$$

$$\text{CPI}_{n-2} = 101.03$$

Consequently the CPI escalator is  $(103.50/101.03)$  1.0245. This escalator has been applied to the CRP Gas Network Tariffs for 2013/2014 as shown below.

#### **Special Contract Transportation Service**

$$\text{RT}_{n-1} \text{ exclusive of GST} = 0.054 \text{ \$/GJ}$$

$$\begin{aligned} \text{RT}_n \text{ exclusive of GST} &= 0.054 \text{ \$/GJ} \times 1.0245 \\ &= 0.0553 \text{ \$/ GJ} \end{aligned}$$

The intended varied Special Contract Transportation Service tariff to commence on 1 July 2014 is 0.0553 \$/ GJ exclusive of GST. The same tariff GST inclusive is 0.0608 \$/GJ.

#### **Contract Transportation Service**

$$\text{RT}_{n-1} \text{ exclusive of GST} = 1.58 \text{ \$/GJ}$$

$$\begin{aligned} \text{RT}_n \text{ exclusive of GST} &= 1.58 \text{ \$/GJ} \times 1.0245 \\ &= 1.62 \text{ \$/ GJ} \end{aligned}$$

The intended varied Contract Transportation Service tariff to commence on 1 July 2014 is 1.62 \$/ GJ exclusive of GST. The same tariff GST inclusive is 1.78 \$/ GJ.

#### **I & C Transportation Service**

$$\text{RT}_{n-1} \text{ exclusive of GST} = 1.96 \text{ \$/GJ}$$

$$\begin{aligned} \text{RT}_n \text{ exclusive of GST} &= 1.96 \text{ \$/GJ} \times 1.0245 \\ &= 2.01 \text{ \$/ GJ} \end{aligned}$$

The intended varied Contract Transportation Service tariff to commence on 1 July 2014 is 2.01 \$/ GJ exclusive of GST. The same tariff GST inclusive is 2.21 \$/ GJ.



### Domestic Transportation Service

$RT_{n-1}$  exclusive of GST = 4.60 \$/GJ

$RT_n$  exclusive of GST = 4.60 \$/GJ x 1.0245

= 4.71 \$/GJ

The intended Domestic Transportation Service tariff to commence on 1 July 2014 is 4.71 \$/GJ exclusive of GST. The same tariff GST inclusive is 5.18 \$/GJ.

### Charges for Ancillary Services

In accordance with part 3C of the CRP Gas Network approved Access Arrangement as amended, the charges for ancillary services are to be varied from 1 July 2014. These varied ancillary charges are shown in the table below:

Services	Current Charge GST Inclusive	Varied Charge from 1 July 2014 GST Inclusive	Varied Charge from 1 July 2014 GST Exclusive
Request for Service	\$76.79 plus \$76.79 per hour after the first hour	\$78.67 plus \$78.67 per hour after the first hour	\$71.52 plus \$71.52 per hour after the first hour
Special Meter Read	\$46.06	\$47.19	\$42.90
Meter Testing Service	\$266.20	\$272.72	\$247.93
Domestic Customer Disconnection fee	\$95.98	\$98.33	\$89.39
I & C Contract and Special Contract Customer Disconnection fee	\$383.92	\$393.33	\$357.57
After Hours Reconnection Service	\$127.99	\$131.12	\$119.20

The above ancillary charges have all been escalated by the CPI escalator of 1.0245.

If you have any questions, please contact Scott Young on 02 9275 0031.

For

Peter Bolding  
General Manager Regulatory & Strategy