
Gas Access Arrangement Revision

FY 2024-2028 Part A of the Access Arrangement for the Distribution System

Terms and Conditions

Tuesday, 24 January 2023



Table of contents

1. Introduction	3
1.1. Purpose of this Document	3
1.2. Composition of Access Arrangement	3
1.3. Effective Date	3
2. Definitions and Interpretation	4
3. Contact Details	5
4. Prior Contractual Rights	6
5. Requirements of National Gas Rules	7
5.1. Pipeline	7
5.2. Services Policy	7
5.3. Reference Tariffs and Reference Tariff Policy	8
5.4. Terms and Conditions	9
5.5. New Connections and Modifications	9
5.6. Extensions and Expansions Policy	9
5.7. Capacity Trading Requirements	12
5.8. Change of Receipt or Delivery Point	12
5.9. Review and Expiry of Access Arrangement	12
Schedule 1 of Part A – Ancillary Reference Services	13
Schedule 2 of Part A – Access Arrangement Glossary	14

1. Introduction

1.1. Purpose of this Document

This document is the revision to AusNet Gas Services Pty Ltd's Access Arrangement 2013-2018, in accordance with rule 52 of the National Gas Rules. For ease of reference, the remainder of this document refers to the revision to the Access Arrangement as the "Access Arrangement".

The Access Arrangement sets out the terms and conditions on which the Service Provider will grant access to its Distribution System.

1.2. Composition of Access Arrangement

This Access Arrangement is in three parts:

Part A this document including Part A Schedule 1 Ancillary Reference Services & Part A Schedule 2 Access Arrangement Glossary;

Part B Reference Tariffs & Reference Tariff Policy including Part B Schedule 1 Initial Haulage Reference Tariffs and Part B Schedule 2 Initial Ancillary Reference Tariffs; and

Part C Terms & Conditions.

The Access Arrangement also includes the plans of the Distribution System lodged with the Regulator.

1.3. Effective Date

The Access Arrangement first came into effect on 1 January 1999. Revisions to the Access Arrangement came into effect on:

- (a) 1 January 2003 for the Second Access Arrangement Period;
- (b) 1 January 2008 for the Third Access Arrangement Period
- (c) 1 July 2013 for the Fourth Access Arrangement Period; and
- (d) 1 January 2018 for the Fifth Access Arrangement Period.

These revisions to the Access Arrangement for the Sixth Access Arrangement Period shall come into effect on 1 July 2023.

2. Definitions and Interpretation

In this Access Arrangement and supporting documents, where a word or phrase is capitalised:

- (a) it has the definition given to that word or phrase in the Glossary contained in Schedule 2 of Part A of this Access Arrangement; or
- (b) if the word or phrase is not defined in the Glossary, the meaning given to that word or phrase in the National Gas Law or National Gas Rules,

unless the context otherwise requires.

If, during the Sixth Access Arrangement Period, the National Gas Rules, as in force at the date of the approval of the revisions to the Access Arrangement, are substantially amended or replaced and, as a result, a word or phrase defined under this Access Arrangement is no longer defined, to the extent permitted by law, that word or phrase shall continue to have the definition given to it in the National Gas Rules in force as at the date this Access Arrangement was approved for the duration of the Sixth Access Arrangement Period.

3. Contact Details

The contact officer for further details on this Access Arrangement is:

General Manager – Regulation (Gas)

AusNet

Level 31, 2 Southbank Boulevard

Southbank Victoria 3006

Ph: (03) 9695 6000

4. Prior Contractual Rights

No provision in this Access Arrangement deprives any person of a contractual right which was in existence prior to:

- (a) 3 November 1997 (when the Access Arrangement was first submitted to the Regulator);
- (b) 28 March 2002 (when the revisions to the Access Arrangement for the Second Access Arrangement Period were submitted to the Regulator);
- (c) 30 March 2007 (when the revisions to the Access Arrangement for the Third Access Arrangement Period were submitted to the Regulator);
- (d) 30 March 2012 (when the revisions to the Access Arrangement for the Fourth Access Arrangement Period were submitted to the Regulator);
- (e) 16 December 2016 (when the revisions to the Access Arrangement for the Fifth Access Arrangement Period were submitted to the Regulator);
- (f) 1 July 2022 (when the revisions to the Access Arrangement for the Sixth Access Arrangement Period were submitted to the Regulator).

5. Requirements of National Gas Rules

This section includes the elements set out in rule 48 of the National Gas Rules which are applicable to the Service Provider.

5.1. Pipeline

This Access Arrangement applies to the Service Provider's Distribution System, further details of which can be inspected at the Service Provider's website: www.ausnetservices.com.au.

5.2. Services Policy

5.2.1 The Service Provider will make Haulage Reference Services and Ancillary Reference Services available to Users or Prospective Users of the Distribution System at the Reference Tariffs and in accordance with the Reference Tariff Policy set out in section 5.3 below. The Reference Services are likely to be sought by a significant part of the market.

The Tariff V Haulage Reference Service is the Haulage Reference Service where the withdrawal of Gas is at a Tariff V Distribution Supply Point.

The Tariff M Haulage Reference Service is the Haulage Reference Service where the withdrawal of Gas is at a Tariff M Distribution Supply Point but does not include Tariff M Connection.

The Tariff D Haulage Reference Service is the Haulage Reference Service where the withdrawal of Gas is at a Tariff D Distribution Supply Point but does not include Tariff D Connection.

The Ancillary Reference Services are those services as described in Schedule 1 of Part A.

5.2.2 The Service Provider will provide the Reference Services in accordance with the Regulatory Instruments.

5.2.3 The Service Provider will make Distribution Services other than Reference Services available to Users or Prospective Users as agreed or as determined in accordance with any applicable Regulatory Instruments.

Distribution Services other than Reference Services include Tariff D Connection and Tariff M Connection.

5.2.4 Upon that Part coming into operation in Victoria, the procedures for the provision of Connection Services will be set out in Part 12A of the National Gas Rules.

An application for a Connection Service may be made by a Customer of the User but, except where rule 119O(2) of the National Gas Rules ("Payment of connection charges") applies and the Customer is paying the charges directly under one of the circumstances set out in rule 119O(1), the charges for that service are payable by the User.

The charges for Connection Services will be determined in accordance with any applicable requirements of relevant Regulatory Instruments (including where provided for by those Regulatory

Instruments by negotiation between the Customer and the Service Provider or between the User and the Service Provider in accordance with those Regulatory Instruments).

- 5.2.5 The amounts payable for Reference Services and Distribution Services other than Reference Services constitute distribution service charges for the purposes of rule 503 of Part 21 of the National Gas Rules ("Obligation to Pay").

5.3. Reference Tariffs and Reference Tariff Policy

Reference Tariffs and the Reference Tariff Policy applicable to this Access Arrangement are set out in Part B.

5.3.1 Reference Tariffs

Section 1 of Part B describes the application and assignment of Reference Tariffs to Distribution Supply Points. The Reference Tariffs for Haulage Reference Services and Ancillary Reference Services applicable from 1 July 2023 are set out in clauses 9 and 10 of Part B.

5.3.2 Haulage Reference Tariff Control Formula

Section 3 of Part B describes the formulae to be applied in varying, withdrawing or introducing new Haulage Reference Tariffs.

5.3.3 Processing changes to Haulage Reference Tariffs

Section 4 of Part B describes the processes for varying, withdrawing or introducing new Haulage Reference Tariffs.

5.3.4 Calculation of Charges for Haulage Reference Tariffs

Section 5 of Part B describes the calculation of Charges from the application of Haulage Reference Tariffs.

5.3.5 Reference Tariff Policy

Section 6 of Part B sets out the Reference Tariff Policy which describes the principles used to determine a Reference Tariff. The policy includes:

- (a) 6.1 CPI-X Price path;
- (b) 6.2 New Facilities Investment;
- (c) 6.3 Speculative Capital Expenditure Account;
- (d) 6.4 Incentive Mechanisms;
- (e) 6.5 Depreciation.

5.3.6 Fixed Principles

Section 7 of Part B describes the Fixed Principles that are to apply to the Access Arrangement.

5.3.7 Relevant Pass Through Event

Section 8 of Part B describes the procedures to apply as a result of a Relevant Pass Through Event.

5.4. Terms and Conditions

- 5.4.1 The terms and conditions on which the Service Provider will supply each Reference Service are set out in Part C.
- 5.4.2 The terms and conditions on which the Service Provider will supply each Distribution Service other than a Reference Service are set out in Part C.

5.5. New Connections and Modifications

5.5.1 Applicability

These queuing arrangements are applicable to requests for new Connections or modifications to existing Connections and are subject to the Extensions and Expansions Policy.

5.5.2 Procedure

- (a) The Service Provider will administer requests by Prospective Users for Connection or a request by a User or Prospective User for a modification to an existing Connection in the following manner:
 - (1) The Service Provider will administer requests in the order they are received (on a "first come, first served" basis), including advising the Prospective User as to the charge (if any) for undertaking or modifying the Connection; and
 - (2) the Service Provider may amend the charge first specified pursuant to clause 5.5.2(a)(1) prior to the Connection being made, if additional requests for undertaking or modifying a Connection are received and those additional requests allow the recovery of the charge over a larger or different group of Prospective Users or Users.

5.6. Extensions and Expansions Policy

5.6.1 Extensions

(a) High pressure extensions

- (1) If the Service Provider proposes a high pressure pipeline Extension of the Covered Pipeline, it must apply to the Regulator in writing to decide whether the proposed Extension will be taken to form part of the Covered Pipeline and will be covered by this Access Arrangement.
- (2) A notification given by the Service Provider under this clause 5.6.1 must:
 - (A) be in writing;
 - (B) state whether the Service Provider intends for the proposed high pressure pipeline Extension to be covered by this Access Arrangement;
 - (C) describe the proposed high pressure Extension and describe why the proposed Extension is being undertaken; and
 - (D) be given to the Regulator before the proposed high pressure pipeline Extension comes into service.
- (3) The Service Provider is not required to notify the Regulator under this clause 5.6 to the extent that the cost of the proposed high pressure pipeline Extension has

already been included and approved by the Regulator in the calculation of the Reference Tariffs.

- (4) After considering the Service Provider's application, and undertaking such consultation as the Regulator considers appropriate, the Regulator will inform the Service Provider of its decision on the Service Provider's proposed coverage approach for the high pressure pipeline Extension.
 - (5) The Regulator's decision in clause 5.6.1(a)(4) may be made on such reasonable conditions as determined by the Regulator as will have the effect stated in the decision.
- (b) Other extensions and expansions
- (1) Any Extensions to the Distribution System which are not high pressure pipeline Extensions within the meaning of this clause will be covered by this Access Arrangement. Any Expansions in the Distribution System will be covered by this Access Arrangement.
 - (2) For the purposes of this clause 5.6.1, 'High Pressure' means a maximum operating pressure greater than 1050kPa.

5.6.2 Effect of Extension/Expansion on Reference Tariffs

- (a) This clause 5.6.2 describes how Users will be charged for a Reference Service where the provision of the Reference Service requires Capital Expenditure constituted by an Extension or Expansion covered by this Access Arrangement (such Users are "Incremental Users"). Where Capital Expenditure is required to provide a Distribution Service other than a Reference Service, the Service Provider will negotiate the charge in good faith with the relevant Users (subject to the relevant provisions of the National Gas Rules).
- (b) Where Capital Expenditure passes the Economic Feasibility Test, Incremental Users will be charged at the prevailing Reference Tariffs and, as permitted by the National Gas Rules, the Service Provider will seek to include the Capital Expenditure in the Capital Base at the next review of the Access Arrangement. The Service Provider may, at its discretion, seek the Regulator's agreement prior to the next review of the Access Arrangement that the Capital Expenditure meets the New Capital Expenditure Criteria under the National Gas Rules.
- (c) Where Capital Expenditure does not pass the Economic Feasibility Test:
 - (1) the Service Provider will seek to include the relevant part of the Capital Expenditure in the Capital Base at the next review of the Access Arrangement. The Service Provider may, at its discretion, seek the Regulator's agreement prior to the next review of the Access Arrangement that the relevant part of the Capital Expenditure meets the New Capital Expenditure Criteria;
 - (2) the remaining Capital Expenditure may be (subject to the National Gas Rules):
 - (A) recovered by charging Incremental Users according to the prevailing Reference Tariffs plus a surcharge approved by the Regulator under rule 83 of the National Gas Rules;
 - (B) included in a Speculative Capital Expenditure Account under the Reference Tariff Policy in Part B, (in which case Incremental Users would be charged according to the prevailing Reference Tariffs); or
 - (C) recovered by a combination of these approaches (in which case Incremental Users would be charged according to the prevailing Reference Tariffs plus a surcharge approved by the Regulator under rule 83 of the National Gas Rules); and
 - (3) the Service Provider will notify the relevant Users of its choice between these approaches prior to the relevant New Facility entering into service.

- (d) The Service Provider may, at its discretion, negotiate a capital contribution with a specific User or Users in respect of a New Facility, in which case, the charge for the User or Users shall be as agreed between the parties. (For the purposes of determining Reference Tariffs, this Capital Expenditure shall be treated as if it were funded by the Service Provider and the User or Users shall be assumed to be paying a surcharge (if any) that would be approved by the Regulator under rule 83 of the National Gas Rules).
- (e) Notwithstanding clauses 5.6.2(c) and 5.6.2(d) above, where the Service Provider considers that some or all of the Capital Expenditure that does not pass the Economic Feasibility Test may pass the System Wide Benefits Test, the Service Provider may propose revisions to the Access Arrangement which have the effect of raising Reference Tariffs immediately (and thus permitting the part of the Capital Expenditure that would pass the System Wide Benefits Test to be included in the Capital Base and recovered through Reference Tariffs immediately).

5.6.3 Unreticulated Townships

- (a) The Service Provider's policy for Extensions to unreticulated townships where the Extension was not included in the calculation of the Reference Tariffs or the subject of a competitive tender is as follows:
 - (1) Any proposal to reticulate a township, or request to the Service Provider to consider reticulation of a township, will undergo an initial feasibility assessment.
 - (2) If the feasibility assessment indicates that the Extension may be economic, the Service Provider will conduct further investigation that may include proposals for the regulatory treatment of the Extension.
 - (3) The Service Provider may approach the Regulator with details of the proposed Extension with a view to agreeing the regulatory treatment of the Extension.
 - (4) Where the agreed regulatory treatment is that the Extension is, if it proceeds, to be covered by this Access Arrangement:
 - (A) the Service Provider will be permitted to recover the Net Financing Cost incurred during the Access Arrangement Period in which the Extension is commenced in Reference Tariffs to take effect in one or more subsequent Access Arrangement Periods;
 - (B) the Capital Base for the Access Arrangement Period commencing immediately after the commencement of the Extension will be increased by the amount of the Capital Expenditure;
 - (C) the Capital Expenditure will not reduce the carry-over of cost-related efficiencies from the Access Arrangement Period in which the Extension is commenced to any subsequent Access Arrangement Period;
- provided the Extension:
- (D) passes the Economic Feasibility Test; and
 - (E) would otherwise be uneconomic for the Service Provider if commenced prior to being included in the calculation of Reference Tariffs in future Access Arrangement Periods.
- (5) Once agreement has been reached concerning the regulatory treatment of the proposed Extension, the Service Provider will undertake a detailed feasibility assessment. Should the outcome of this assessment establish or confirm that the Extension is economic (including the consideration of any capital contributions or surcharges) under the agreed regulatory treatment, the Extension will progress. Otherwise, further discussions will be held with the Regulator. If, in light of the detailed economic assessment and available regulatory arrangements, the Extension is not economic, the Extension will not proceed.

- (6) Where the Extension is found to be uneconomic, the Service Provider may review the Extension should material changes occur.
- (7) The Service Provider's funding of an Extension to an unreticulated township is conditional upon (among other things) the Service Provider having sufficient funds available on commercial terms acceptable to the Service Provider.
- (8) The agreed regulatory treatment for a new town extension may involve a capital contribution together with existing zonal tariffs, a surcharge above zonal tariffs, or a separate new town tariff.
- (9) Where the agreed treatment for a new town Extension is a separate new town tariff, there shall also be agreed a mechanism to integrate the new town tariff into the form of price control, including in relation to rebalancing constraints.
- (10) Where the agreed treatment for a new town Extension is to utilise an existing tariff, a new town tariff is not a new tariff for existing customers and is not a new tariff for the purposes of the interpretation of the Reference Tariff control formula.

5.7. Capacity Trading Requirements

- 5.7.1 The Service Provider is a Distributor for the purposes of the Market Rules and is subject to those Market Rules to the extent they apply to Distributors.
- 5.7.2 There are no applicable capacity trading requirements for the purposes of rules 48(1)(f) or 105(1) of the National Gas Rules.

5.8. Change of Receipt or Delivery Point

- 5.8.1 Any change to a Receipt or Delivery Point on the Distribution System will require the consent of the Service Provider. Such consent will not be withheld unless there are reasonable technical or commercial grounds for withholding consent.
- 5.8.2 As the only Receipt Points on the Distribution System are custody transfer points between the Distribution System and other networks, it is unlikely the Service Provider would consent to a request to change a Receipt Point.
- 5.8.3 Requests for changes to any Customer Distribution Supply Point will be considered on a case-by-case basis, subject to technical and commercial feasibility, and will continue to be offered as a Service other than a Reference Service.

5.9. Review and Expiry of Access Arrangement

- 5.9.1 The Service Provider will submit revisions to this Access Arrangement to the Regulator on or before 1 June 2027.
- 5.9.2 The revision commencement date is 1 July 2028.

Schedule 1 of Part A – Ancillary Reference Services

The following Ancillary Reference Services are provided in relation to Distribution Supply Points at which Gas is withdrawn by or in respect of a Residential Customer:

- (a) **On-site meter and gas installation test** – Testing to check the accuracy of a Meter and the soundness of a Gas Installation, in order to determine whether the Meter is accurately measuring the Quantity of Gas delivered.
- (b) **Disconnection Service** – Disconnection by the carrying out of work, being:
 - (1) removal of the Meter at a Metering Installation, or
 - (2) the use of locks or plugs at a Metering Installation in order to prevent the withdrawal of Gas at the Distribution Supply Point.
- (c) **Reconnection Service** – Reconnection by turning on Supply, including the removal of locks or plugs used to isolate Supply or reinstallation of a Meter if it has been removed, performance of a safety check and the lighting of appliances where necessary.
- (d) **Special Meter Reading Service** – Meter reading for a Distribution Supply Point in addition to the scheduled meter readings that form part of the Haulage Reference Services.
- (e) **Meter and service removal** - Removing a meter and service line to prevent the withdrawal of natural gas at the delivery point for a Residential Tariff V Customer.
- (f) **Minor meter alter position** - Relocating an existing gas meter to a new position, within 4 meters of the original meter, in a single site visit.

The Ancillary Reference Services will be provided on Business Days during normal business hours as advised by the Service Provider from time to time.

Schedule 2 of Part A – Access Arrangement Glossary

A.1. Definitions

Access Act means the *National Gas (Victoria) Act 2008* (Vic);

Access Arrangement means this arrangement for access for third parties to the Distribution System lodged by the Service Provider with, and as approved by, the Regulator under the Access Act and National Gas Rules;

Actual Meter Reading has the same meaning as in the Retail Market Procedures (Victoria);

Additional Charge means any charge imposed on the Service Provider by an Authority which is referable to the User or a Customer, and where such charge is referable to a class of Retailers or Customers rather than an individual Retailer or Customer, that charge will be allocated between the Retailers or Customers (as the case may be) on a fair and reasonable basis by the Service Provider, provided that the Service Provider is not prohibited from passing through that charge to Retailers or Customers under the Regulatory Instruments;

AEMO means the Australian Energy Market Operator Limited ABN 94 072 010 327;

AER means the Australian Energy Regulator established by section 44AE of the *Competition and Consumer Act 2010* (Cth);

Agreement means an agreement executed or to be executed by the Service Provider and a User on the Terms and Conditions or an agreement in respect of the terms and conditions for the provision of Distribution Services, as negotiated between the Service Provider and a User;

Ancillary Reference Service means a Reference Service as set out in Schedule 1 of Part A of this Access Arrangement;

Ancillary Reference Tariff means the tariff that applies to an Ancillary Reference Service;

Annual MHQ means the greatest Quantity of Gas (in GJ) withdrawn at a Distribution Supply Point in any hour in a Calendar Year;

Asset Performance Index or **API** means the index calculated in Annexure A of Part B of this Access Arrangement;

Australian Consumer Law means Schedule 2 to the *Competition and Consumer Act 2010* (Cth);

Authority means any:

- (a) government or regulatory department, statutory corporation (including the Regulator and AEMO), body, instrumentality, minister, agency or other authority; or
- (b) body which is the successor to the administrative responsibilities of that department, statutory corporation, body, instrumentality, minister, agency or authority;

Averaging Period for a given Regulatory Year means the averaging period corresponding to that year that is specified in the confidential attachment to the Regulator's final decision for the Service Provider for the Sixth Access Arrangement Period;

B2B Hub means the electronic messaging system operated by AEMO for the Gas industry in Victoria or any electronic messaging system which replaces that system;

Bank Bill Rate means, for a day, the bank bill standard rate defined to be equal to:

- (a) the "bid rate" (rounded up to four decimal places) quoted on the page entitled "BBSY" of the Reuters Monitor System at or about 10:00 am on that day (or where the day is not a Business Day then on the most recent prior Business Day) for bank accepted bills of exchange which have a tenor of 30 days; or
- (b) if the Bank Bill Rate cannot be determined in accordance with paragraph (a) of this definition, the rate percent per annum agreed by the parties in good faith to be the appropriate rate having regard to

comparable indices then available in the current bill market, and in default of agreement within 14 days, the rate nominated by the Service Provider and approved by the Regulator as an appropriate rate;

Business Day means a day other than a Saturday, Sunday or a day which has been proclaimed to be a public holiday in the Melbourne metropolitan area;

Capital Expenditure Sharing Scheme or **CESS** means the scheme provided for in clause 6.4.3 of the Reference Tariff Policy (as varied from time to time);

Charges means the charges payable by the User to the Service Provider under clause 7 of the Terms and Conditions and includes:

- (a) the amount determined from the application of the Reference Tariffs in respect of the Reference Services provided to the User in respect of its Customers or such other amount as agreed in writing;
- (b) where Distribution Services other than Reference Services are provided by the Service Provider as set out in Appendix A of our Reference Service Proposal, the Non-Reference Service Charge;
- (c) Connection Charges; and
- (d) Additional Charges;

Claim means any loss, liability, damage, claim, action, dispute, proceeding, demand, cost or expense whether arising in contract, tort (including negligence), equity or otherwise in respect of an event occurring after the Commencement Date;

Commencement Date means in respect of an Agreement, the date of commencement of the Agreement as set out in that Agreement;

Compliance Certificate means a notice of installation, or completion of Gas Installation work, from a Gas Installer;

Confidential Information means:

- (a) in respect of a party to an Agreement, the know-how, trade secrets, ideas, concepts, technical and operational information owned by that party or which that party has rights to use;
- (b) in respect of a party to an Agreement, information concerning the affairs or property of or any business, property or transaction in which that party may be or may have been concerned or interested;
- (c) in respect of the User, details of any Customers of the User; and
- (d) any other information which is to be treated in a confidential manner under a Regulatory Instrument with which a party to an Agreement is required to comply;

Connection means a physical link between a Distribution Pipeline and a Customer's premises to allow the flow of Gas (or such other meaning as may be given to the term "Connection" from time to time by the National Gas Rules);

Connection Alteration means an alteration to an existing Connection including an addition, upgrade, extension, expansion, augmentation or any other kind of alteration;

Connection Charge means the charge (if any) for a Connection Service as determined pursuant to, where applicable, the Access Arrangement, the Distribution System Code of Practice, the National Gas Rules and the National Energy Retail Law;

Connection Request means a request in a form required by relevant Regulatory Instruments and otherwise, to the extent permitted by those Regulatory Instruments, in a form reasonably required by the Service Provider given by the User to the Service Provider requesting a Connection Service or Energisation;

Connection Service means either or both of the following:

- (a) the establishment of a new Connection;
- (b) the making of a Connection Alteration;

Controller has the same meaning as defined in the Corporations Act;

Corporations Act means the *Corporations Act 2001* (Cth);

CPI has the same meaning as in clause 3.1 of the Reference Tariff Policy;

Curtail means to temporarily reduce the injection or withdrawal of Gas to or from the Distribution System;

Customer means, as the context requires:

- (a) a customer of the User at a Distribution Supply Point;

- (b) a prospective customer of the User at a Distribution Supply Point (or a point which will become a Distribution Supply Point upon the making of a Connection);

Customer MHQ means the maximum hourly Quantity of Gas, expressed in gigajoules per hour (GJ/hour), for delivery to a Tariff D Distribution Supply Point or a Tariff M Distribution Supply Point initially nominated by the User to the Service Provider and agreed to by the Service Provider in writing and then as agreed from time to time between the parties to an Agreement;

Default Rate means on a day the default interest rate applying under the National Gas Rules in respect of that day or, if there is no such rate, then the rate percent per annum which is the aggregate of 2 percent per annum and the Bank Bill Rate applicable for that day;

Deemed Contract means one of:

- (a) a contract between the Service Provider and a Customer under section 48 of the GIA; or
- (b) a deemed standard connection contract between the Service Provider and a Customer (as referred to in section 67(a) of the National Energy Retail Law ("Kinds of customer connection contracts")); or
- (c) a deemed AER approved standard connection contract between the Service Provider and a Customer (as referred to in section 67(b) of the National Energy Retail Law ("Kinds of customer connection contracts"));

Disconnection means the carrying out of work to prevent the withdrawal of Gas at a Distribution Supply Point (also referred to as de-energisation in the National Energy Retail Rules);

Disconnection Request means a request in a form required by relevant Regulatory Instruments and otherwise, to the extent permitted by those Regulatory Instruments, in a form reasonably required by the Service Provider given by the User to the Service Provider requesting the Disconnection and which must include the reason for requesting the Disconnection and certification that the User is entitled to Disconnect the Customer;

Distribution Area has the same meaning as defined in Schedule 2 of the Distribution Licence;

Distribution Demand Tariff Component means a Haulage Reference Tariff Component of Haulage Reference Tariff D or of Haulage Reference Tariff M, as set out in clause 5.3 of the Reference Tariff Policy (as varied from time to time) expressed in \$/GJ for Annual MHQ;

Distribution Fixed Tariff Component means a Haulage Reference Tariff Component of Haulage Reference Tariff V, as set out in clause 5.11 of the Reference Tariff Policy (as varied from time to time) and is expressed in \$/day;

Distribution Licence means the licence of that name to provide services by means of a distribution pipeline granted to the Service Provider by the Regulator under the GIA (or any licence or authorisation (however described) that replaces that licence);

Distribution Pipeline has the same meaning as in the GIA;

Distribution Services means:

- (a) Reference Services in relation to Customers;
- (b) such services other than Reference Services that the Service Provider has agreed to provide to the User as set out in Appendix A of our Reference Service Proposal (including a Tariff D Connection and a Tariff M Connection); and
- (c) other Connection Services (to a Tariff D Connection and a Tariff M Connection);

Distribution Supply Point means a point on the Distribution System at which Gas is capable of being withdrawn from the Distribution System for delivery to a Customer, which is normally located at the outlet of a Meter and includes:

- (a) a "supply point" and an "ancillary supply point" as defined in the *Gas Industry (Residual Provisions) Act 1994* (Vic); and
- (b) a "distribution delivery point" as defined in the National Gas Rules,

in relation to a Distribution System;

Distribution System means that part of the Gas Distribution System which is more particularly described in the plan of the Distribution System lodged with the Regulator and any Extension or Expansion of the Distribution System that is covered by the Access Arrangement;

Distribution System Code of Practice means the Gas Distribution System Code of Practice made by the Regulator under Part 6 of the ESC Act, as updated from time;

Distribution Volume Tariff Component means a Reference Tariff Component of Haulage Reference Tariff V, as set out in clause 5.2 of the Reference Tariff Policy (as varied from time to time), expressed in \$/GJ for gigajoules of Gas withdrawn in the Peak Period or in the Off-Peak Period;

Economic Feasibility Test means the test to determine whether capital expenditure is conforming capital expenditure as constituted by rule 79(1)(a) and rule 79(2)(a) or 79(2)(b) of the National Gas Rules;

Eighth Access Arrangement Period means the period commencing on 1 July 2033 and ending on 30 June 2038;

Emergency means an event or circumstance:

- (a) which the Governor in Council declares by proclamation to be an emergency under Part 9 of the GIA; or
- (b) which it would be reasonable to believe constitutes a situation which may:
 - (1) threaten the personal safety of any person; or
 - (2) cause material damage to the Transmission System or some other Transmission Pipeline which connects to the Distribution System; or
 - (3) cause material damage to the Distribution System; or
 - (4) cause material damage to any property, plant or equipment; or
- (c) which constitutes a level two to level five emergency (as set out in the emergency command organisation arrangements adopted by the Service Provider); or
- (d) which constitutes an emergency pursuant to rule 333 of the National Gas Rules ("Emergency"); or
- (e) which otherwise constitutes an "emergency" pursuant to relevant Regulatory Instruments;

End User has the meaning given to that term in clause 3A(b) of the Terms and Conditions;

Energisation means the act of turning on Supply including the removal of any locks or plugs used to isolate Supply or reinstallation of a Meter if it has been removed, performance of a safety check and the lighting of appliances where necessary;

ESC Act means the *Essential Services Commission Act 2001* (Vic);

ESC means the Essential Services Commission as constituted pursuant to the ESC Act;

Estimated Meter Reading has the same meaning as in the Retail Market Procedures (Victoria);

Expansion means the process of upgrading the capacity or service potential of the Distribution System by replacing or enhancing existing plant or equipment or adding new plant or equipment;

Extension means extending a Pipeline to enlarge the area to which Gas may be, or is, supplied, including (for the avoidance of doubt) extensions which connect together pre-existing pipeline systems;

Extensions and Expansions Policy means the policy contained in clause 5.6 of Part A of the Access Arrangement;

Fifth Access Arrangement Period means a period commencing on 1 January 2018 and ending on 30 June 2023;

Final Decision means a final decision by the Regulator to approve an access arrangement proposal under rule 62 or, if the final decision under rule 62 is to refuse to approve the access arrangement proposal, a decision under rule 63 or 64 of the National Gas Rules; **Financial Year** means the 12 months from 1 July to 30 June;

First Access Arrangement Period means the period commencing on 1 January 1998 and ending on 31 December 2002;

Force Majeure Event means an event beyond the reasonable control of a person which causes a delay in performance, or non-performance, by that person of an obligation and includes without limitation:

- (a) an Emergency;
- (b) a Participant force majeure event or system force majeure event as defined in the National Gas Rules;
- (c) an event consisting of, or analogous to, the issue of a direction under section 106 or section 107 of the *Gas Safety Act 1997* (Vic); or
- (d) an event consisting of, or analogous to, an act of nature, a pandemic or epidemic, governmental intervention or act of war, neither anticipated nor controllable by the Service Provider;

Fourth Access Arrangement Period means a period commencing on 1 January 2013 and ending on 31 December 2017;

Gas means:

- (a) any substance which is "gas" for the purposes of the GIA;
- (b) in the event the National Gas Law or the National Gas Rules are amended to permit or require a Service Provider to provide Distribution Services in respect of "natural gas" (as that term is defined in the Access Act), any substance which is "natural gas" for the purpose of that definition;

Gas Distribution Company has the same meaning as in the GIA;

Gas Distribution System has the same meaning as in the GIA;

Gas Installation means any Gas equipment located at a Customer's premises that is not part of the Distribution System;

Gas Installer means a person authorised by Regulatory Instruments to install, repair, alter or make any addition to a Gas Installation or to any part of a Gas Installation;

Gas Interface Protocol has the same meaning as in the Retail Market Procedures (Victoria);

Gas Leaks and Emergencies Number means the Service Provider's contact telephone number as stated in clause 9.1(e) of the Agreement;

GIA means the *Gas Industry Act 2001* (Vic), as amended from time to time;

GJ means Gigajoule. 1 GJ is equal to one thousand million Joules (1,000,000,000J);

Glossary means this glossary;

GST means goods and services tax or similar value added tax levied or imposed in the Commonwealth of Australia pursuant to the GST Law;

GST Law has the same meaning as in *A New Tax System (Goods and Services Tax) Act 1999* (Cth);

Guaranteed Service Levels or **GSLs** means the standard of service that must be provided by the Service Provider in respect of certain Distribution Services as set out in a Regulatory Instrument;

Guarantor has the meaning given in clause 7.9(a)(2) of the Terms and Conditions;

Haulage Reference Services means:

- (a) allowing injection of Gas at Transfer Points;
- (b) conveyance of Gas from Transfer Points to Distribution Supply Points; and
- (c) allowing withdrawal of Gas at Distribution Supply Points;

except to the extent that:

- (d) before the start of the Sixth Access Arrangement Period the Service Provider and the User have agreed in writing that specific pricing applies to that service;
- (e) after the start of the Sixth Access Arrangement Period, the Service Provider and the User agree in writing or in such other form as approved by the Regulator that the service is not to be a Haulage Reference Service; or
- (f) the services are provided to a Transfer Point between a Distribution Pipeline by means of which the Service Provider provides services and a Distribution Pipeline by means of which another Gas Distribution Company (which is not exempt from the requirement to hold a licence because of an Order under section 24 of the GIA) provides services;

Haulage Reference Tariff means the tariff that applies to Haulage Reference Services;

Haulage Reference Tariff Component means an individual price element comprising part of a Haulage Reference Tariff;

Haulage Reference Tariff D means the Haulage Reference Tariff that applies to the Tariff D Haulage Reference Service (including a new Haulage Reference Tariff to apply to that Service introduced pursuant to the Reference Tariff Policy);

Haulage Reference Tariff M means the Haulage Reference Tariff that applies to the Tariff M Haulage Reference Service (including a new Haulage Reference Tariff to apply to that Service introduced pursuant to the Reference Tariff Policy);

Haulage Reference Tariff V means the Haulage Reference Tariff that applies to the Tariff V Haulage Reference Service (including a new Haulage Reference Tariff to apply to that Service introduced pursuant to the Reference Tariff Policy);

Heating Value means the heating value of Gas in the Distribution System as calculated by AEMO in accordance with the Retail Market Procedures (Victoria) or any rules or procedures made under the Retail Market Procedures (Victoria) including the Wholesale Market Energy Calculation Procedures (Victoria);

Insolvency Event means the happening of any of the following events in relation to a party to an Agreement:

- (a) an order is made that it be wound up or that a Controller be appointed to it or any of its assets;
- (b) a resolution that it be wound up is passed;
- (c) a liquidator, provisional liquidator, Controller or any similar official is appointed to, or takes possession or control of, all or any of its assets or undertakings;
- (d) an administrator is appointed to it (other than by the Regulator pursuant to the party's Distribution Licence) or a resolution that an administrator be appointed to it is passed;
- (e) it enters into, or resolves to enter into, an arrangement, compromise or composition with any of, or any class of, its creditors or shareholders, or an assignment for the benefit of any of, or any class of, its creditors, in relation to a potential Insolvency Event in subparagraphs (a) to (d), or (f) to (g) occurring;
- (f) any action is taken by the Australian Securities and Investment Commission to cancel its registration or to dissolve it;
- (g) it is insolvent within the meaning of section 95A of the Corporations Act, as disclosed in its accounts or otherwise, states that it is unable to pay its debts or it is presumed to be insolvent under any applicable law; or
- (h) it stops or suspends:
 - (1) the payment of all or a class of its debts; or
 - (2) the conduct of all or a substantial part of its business; or
- (i) if the User is constituted in another jurisdiction, any event having a substantially similar effect to any of the events specified in the preceding paragraphs happens to it under the law of that other jurisdiction;

Insurance Coverage Event occurs if:

- (a) the Service Provider:
 - (1) makes a claim or claims and receives the benefit of a payment or payments under a relevant insurance policy or set of insurance policies;
 - (2) would have been able to make a claim or claims under a relevant insurance policy or set of insurance policies but for changed circumstances; and
- (b) the Service Provider incurs costs:
 - (1) beyond a relevant policy limit for that policy or set of insurance policies; or
 - (2) that are unrecoverable under that policy or set of insurance policies due to changed circumstances; and
- (c) the costs referred to in paragraph (b) materially increase the costs to the Service Provider of providing Reference Services.

For the purposes of this Insurance Coverage Event:

- (d) 'changed circumstances' means movements in the relevant insurance liability market that are beyond the control of the Service Provider, where those movements mean that it is no longer possible for the Service Provider to take out an insurance policy or set of insurance policies at all or on reasonable commercial terms that include some or all of the costs referred to in paragraph (b) above within the scope of that insurance policy or set of insurance policies;

- (e) 'costs' means the costs that would have been recovered under the insurance policy or set of insurance policies had:
 - (1) the limit not been exhausted; or
 - (2) those costs not been unrecoverable due to changed circumstances;
- (f) a relevant insurance policy or set of insurance policies is an insurance policy or set of insurance policies held during the Sixth Access Arrangement Period or a previous period in which access to the pipeline services was regulated;
- (g) the Service Provider will be deemed to have made a claim on a relevant insurance policy or set of insurance policies if the claim is made by a related party of the Service Provider in relation to any aspect of the Distribution System or the Service Provider's business; and
- (h) the Service Provider will be deemed to have been able to make a claim on a relevant insurance policy or set of insurance policies if, but for changed circumstances, the claim could have been made by a related party of the Service Provider in relation to any aspect of the Distribution System or the Service Provider's business.

Note: In making a determination in respect of an Insurance Coverage Event, the Regulator will have regard to:

- (1) the relevant insurance policy or set of insurance policies for the event;
- (2) the level of insurance that an efficient and prudent Service Provider would obtain, or would have sought to obtain, in respect of the event; and
- (3) any information provided by the Service Provider to the Regulator about the Service Provider's actions and processes; and
- (4) any guidance published by the Regulator on the matters the Regulator will likely have regard to in assessing any Insurance Coverage Event that occurs.

Insurer Credit Risk Event occurs if an insurer of the Service Provider becomes insolvent and, as a result in respect of an existing or potential claim for a risk that was insured by the insolvent insurer, the Service Provider:

- (a) is subject to a materially higher or materially lower claim limit or a materially higher or materially lower deductible than would have otherwise applied under the insolvent insurer's policy; or
- (b) incurs material additional costs associated with funding an insurance claim which would have otherwise been covered by the insolvent insurer;

Note: In making a determination in respect of an Insurer Credit Risk Event, the Regulator will have regard to, amongst other things:

- (c) the Service Provider's attempts to mitigate and prevent the event from occurring by reviewing and considering the insurer's track record, size, credit rating and reputation; and
- (d) in the event that a claim would have been covered by the insolvent insurer's policy, whether the Service Provider had reasonable opportunity to insure the risk with a different insurer.

Interruption means the planned or unplanned temporary stoppage of Supply to one or more Distribution Supply Points;

J means Joule; a unit of energy as defined in AS1000-1979 "The International System of Units (SI) and its Application";

Main means a low, medium or high pressure pipe in the Distribution System, other than a Service Pipe;

Market Rules means Part 19 of the National Gas Rules ("Declared Wholesale Gas Market Rules");

Meter means a device that measures and records quantities of Gas by reference to volume, mass or energy content;

Metering Installation means the Meter and associated equipment and installations which may include correctors, regulators, filters, data loggers and telemetry relating to a Distribution Supply Point;

Metering Data means data pertaining to the measure of the quantity of Gas flow obtained from a Metering Installation;

Meter Reading has the same meaning as in the Retail Market Procedures (Victoria);

MHQ means the maximum Quantity of Gas (in GJ) withdrawn at a Distribution Supply Point in any hour;

MIRN means in relation to a Distribution Supply Point at any time, the metering installation registration number for that Distribution Supply Point including the checksum for that MIRN;

National Energy Retail Law means the National Energy Retail Law as set out in the *National Energy Retail Law (South Australia) Act 2011* (SA);

National Energy Retail Rules has the meaning given to that term in the National Energy Retail Law;

National Gas Law means the National Gas (Victoria) Law as defined in the Access Act;

National Gas Rules means the National Gas Rules made pursuant to the National Gas Law;

Natural Disaster Event occurs if any natural disaster including, but not limited to cyclone, fire, flood or earthquake:

- (a) occurs during the Access Arrangement Period; and
- (b) materially increases or materially decreases the costs to the Service Provider of providing Reference Services, provided the cyclone, fire, flood, earthquake or other event was:
 - (c) a consequence of an act or omission that was necessary for the Service Provider to comply with a Regulatory Obligation or Requirement or a Regulatory Instrument; or
 - (d) not a consequence of any other act or omission of the Service Provider.

Note: In making a determination in relation of a Natural Disaster Event, the Regulator will have regard to, amongst other things:

- (e) whether the Service Provider has insurance against the event;
- (f) the level of insurance that an efficient and prudent Service Provider would obtain in respect of the event;

Negative Pass Through Amount means, in relation to the occurrence of a Relevant Pass Through Event, an amount that the Service Provider is required to pay to the User or a factor by which amounts the User is required to pay the Service Provider are reduced;

Net Financing Cost means, in respect of an Extension or Expansion, the surplus of the estimated conforming capital expenditure (as that term is used in rule 79 of the National Gas Rules), and the operating expenditure (complying with rule 91 of the National Gas Rules) in respect of, the Extension or Expansion within the Access Arrangement Period in which the Extension or Expansion is commenced over the present value of the estimated incremental revenue that would be derived directly from the Extension or Expansion within that period;

Non-Reference Service Charge means the amount payable by the User for the provision of Distribution Services other than Reference Services, being the amount as set out in Appendix A of our Reference Service Proposal or as agreed between the parties to an Agreement or determined pursuant to the National Gas Rules or other relevant Regulatory Instruments;

Non Residential Customer means a Customer who is not a Residential Customer;

Off-Peak Period means the period of a Calendar Year except the Peak Period;

Ombudsman means the Energy and Water Ombudsman (Victoria) or such replacement entity as performs the function of Ombudsman for the purposes of relevant Regulatory Instruments;

Pass Through Amount means a Positive Pass Through Amount or a Negative Pass Through Amount;

Peak Period means the period of 1 June to 30 September of a Calendar Year;

Positive Pass Through Amount means, in relation to the occurrence of a Relevant Pass Through Event, an amount that a User is required to pay to the Service Provider or a factor by which amounts the User is required to pay the Service Provider are increased;

Priority A Inquiry means an inquiry identified as a Priority "A" inquiry in Participant Build Pack 1 in the Gas Interface Protocol and includes an inquiry relating to a Gas leak or Emergency;

Priority B Inquiry means an inquiry identified as a Priority "B" inquiry in Participant Build Pack 1 in the Gas Interface Protocol and includes an inquiry relating to a Gas leak or Emergency;

Priority C Inquiry means an inquiry identified as a Priority "C" inquiry in Participant Build Pack 1 in the Gas Interface Protocol and includes an unplanned Interruption;

PTRM means, in relation to the Tariff Control Formula, the Post-Tax Revenue Model used by the Regulator to determine X factors (in accordance with the National Gas Law and National Gas Rules) for each year of the Sixth Access Arrangement Period;

Quantity means, in relation to Gas, the energy content of that Gas calculated by multiplying its volume in cubic metres at a temperature of 15 degrees Celsius and an absolute pressure of 101.325 kPa by its Heating Value;

Rebalancing Control Formula means the formula set out in clause 3.5 of Part B of this Access Arrangement;

Reconnect means the Energisation for or in respect of a Customer following the Disconnection of the Distribution Supply Point at which Gas was prior to Disconnection, withdrawn by or in respect of that Customer (also referred to as re-energisation in the National Energy Retail Rules);

Reference Service means the Haulage Reference Service and Ancillary Reference Service as defined in clause 5.2 of Part A of this Access Arrangement;

Reference Tariff means the Haulage Reference Tariff and Ancillary Reference Tariff and as varied pursuant to the Reference Tariff Policy;

Reference Tariff Component refers to an individual price element comprising part of a Reference Tariff;

Reference Tariff Policy means the Reference Tariff Policy set out in clause 6 of Part B of this Access Arrangement;

Regulator means, as applicable:

- (a) the ESC or any successor agency that becomes responsible for functions conferred on the ESC under a Regulatory Instrument;
- (b) the AER or any successor agency that becomes responsible for the functions conferred on the AER under a Regulatory Instrument;

Regulatory Change Event means a change in a Regulatory Obligation or Requirement that:

- (a) falls within no other category of Relevant Pass Through Event; and
- (b) occurs during the course of an Access Arrangement Period; and
- (c) substantially affects the manner in which the Service Provider provides Reference Services; and
- (d) materially increases or materially decreases the costs of providing Reference Services.

Regulatory Instrument means the Access Act, National Gas Law, National Gas Rules, GIA, *Gas Safety Act 1997* (Victoria), the National Energy Retail Law, the National Energy Retail Rules and any other legislation, any subordinate legislation, licence, code of practice, code, rules, sub-code, guideline, procedure, methodology, safety case, order or regulation regulating the gas industry in Victoria, or elsewhere if applicable, whether made under the GIA or other applicable legislation having jurisdiction over the relevant party, including the Market Rules, the Retail Market Procedures (Victoria) and the Gas Interface Protocol;

Regulatory Year means a period of 12 months commencing on 1 July of a given year and ending on 30 June the following calendar year;

Related Body Corporate means an entity which is related to another entity within the meaning of section 9 of the Corporations Act;

Relevant Pass Through Event means:

- (a) an Insurance Coverage Event;
- (b) an Insurer Credit Risk Event;
- (c) a Natural Disaster Event;
- (d) a Regulatory Change Event;
- (e) a Retailer Insolvency Event;
- (f) a Service Standard Event;
- (g) a Tax Change Event;
- (h) a Terrorism Event; or

- (i) an Unrecovered Abolishment Service Charges Event.

For the purpose of any Relevant Pass Through Event that includes a reference to materiality, an event is considered to materially increase or materially decrease costs where that event has an impact which is equal to or greater than one per cent of the smoothed forecast revenue specified in the Regulator's Final Decision, in one or more of the years for the Access Arrangement Period in which the costs are incurred;

Relevant Tax is any Tax payable by the Service Provider, other than:

- (a) income tax and capital gains tax;
- (b) stamp duty, financial institutions duty and bank accounts debits tax;
- (c) penalties, charges, fees and interest on late payments, or deficiencies in payments, relating to any Tax; or
- (d) any Tax that replaces or is the equivalent of or similar to any of the taxes referred to in paragraphs (a) to (b) (including any State equivalent tax);

Residential Customer means a Customer who purchases Gas principally for personal, household or domestic use at the relevant Distribution Supply Point;

Retailer means a gas retailer for the purposes of the GIA or a retailer for the purposes of the National Energy Retail Law;

Retail Contract means a contract for the sale of Gas by the User to a Customer;

Retailer Insolvency Event, until such time as the National Energy Retail Law set out in the Schedule to the *National Energy Retail Law (South Australia) Act 2011* of South Australia is applied as a law of Victoria, has the meaning set out in the National Gas Rules as in force from time to time, except that:

- (a) where used in the definition of 'retailer insolvency event' in the National Gas Rules, the term 'retailer' means the holder of a licence to sell gas under the GIA; and
- (b) other terms used in the definition of retailer insolvency event in the National Gas Rules as a consequence of amendments made to that definition from time to time, which would otherwise take their meaning by reference to provisions of the National Gas Law, the National Gas Rules or National Energy Retail Law not in force in Victoria, take their ordinary meaning and natural meaning, or their technical meaning (as the case may be).

Note:

- (c) For the avoidance of doubt, no materiality threshold applies to a Retailer Insolvency Event, such that a Service Provider is not required to demonstrate a material increase or material decrease in its costs for a Retailer Insolvency Event to occur;
- (d) This Retailer Insolvency Event will cease to apply as a Relevant Pass Through Event upon commencement of the National Energy Retail Law and rule 520 of the National Gas Rules in Victoria.

Retail Market Procedures (Victoria) means the Retail Market Procedures for Victoria as made pursuant to the National Gas Rules;

Retail Licence means a licence to sell Gas granted to a Retailer by the Regulator under Part 3 of the GIA or equivalent authorisation;

Retail Services means the following services that are provided by a User to the Service Provider at the Service Provider's request:

- (a) processing of GSL payments under clause 7.6 of the Terms and Conditions;
- (b) notification of Reference Tariffs under clause 9.10(c) of the Terms and Conditions;
- (c) provision of information and documentation to Customers under clause 9.12(b) of the Terms and Conditions;
- (d) delivering to a Customer any notification, information or documentation as requested by the Service Provider under clause 9.12(e) of the Terms and Conditions; and
- (e) delivering to a Customer information as requested by the Service Provider under clause 13.2(b)(4)(B) of the Terms and Conditions,

but does not include any such services to the extent that the User is obliged to perform those services under the Regulatory Instruments;

Second Access Arrangement Period means a period commencing on 1 January 2003 and ending on 31 December 2007;

Service Pipe means a pipe ending at a Metering Installation or, for an unmetered site a Gas Installation, which connects a Main or a Transmission Pipeline to a Customer's Premises (as determined by the Service Provider);

Services Policy means the policy contained in clause 5.2 of this Access Arrangement;

Service Standard Event means a legislative or administrative act or decision that:

- (a) has the effect of:
 - (1) substantially varying, during the course of an access arrangement period, the manner in which the Service Provider is required to provide a Reference Service;
 - (2) imposing, removing or varying, during the course of an access arrangement period, minimum service standards applicable to Reference Services; or
 - (3) altering, during the course of an access arrangement period, the nature or scope of the Reference Services, provided by the Service Provider; and
- (b) materially increases or materially decreases the costs to the Service Provider of providing Reference Services;

Seventh Access Arrangement Period means the period commencing on 1 July 2028 and ending on 30 June 2033;

Sixth Access Arrangement Period means the period commencing on 1 July 2023 and ending on 30 June 2028;

Specifications means:

- (a) the quality specifications prescribed by the Gas Safety (Gas Quality) Regulations 2007 (Victoria); and
- (b) in respect of a DDS Injection Point, the quality specifications set out in an agreement entered into in accordance with rule 287A of the National Gas Rules;

Substituted Meter Reading has the same meaning as in the Retail Market Procedures (Victoria);

Supply means the delivery of Gas;

System Wide Benefits Test means the test to determine whether capital expenditure is conforming capital expenditure as constituted by rule 79(1)(a) and rule 79(2)(c) of the National Gas Rules;

Tariff Control Formula means the formulae described in clause 3.1 of the Reference Tariff Policy that applies to Haulage Reference Tariffs;

Tariff D Connection means the Connection and maintenance of the Connection at a Tariff D Distribution Supply Point;

Tariff D Customer means a Customer in respect of whom the User is charged Haulage Reference Tariff D;

Tariff D Distribution Supply Point means a Distribution Supply Point to which is assigned Haulage Reference Tariff D as determined by the application of clause 1 of the Reference Tariff Policy;

Tariff D Haulage Reference Service means a Haulage Reference Service described as such in clause 5.2.1 of Part A of this Access Arrangement;

Tariff M Connection means the Connection and maintenance of the Connection at a Tariff M Distribution Supply Point;

Tariff M Customer means a Customer in respect of whom the User is charged Haulage Reference Tariff M;

Tariff M Distribution Supply Point means a Distribution Supply Point to which is assigned Haulage Reference Tariff M as determined by the application of clause 1 of the Reference Tariff Policy;

Tariff M Haulage Reference Service means a Haulage Reference Service described as such in clause 5.2.1 of Part A of this Access Arrangement;

Tariff Report means a report prepared and published in accordance with clause 1.5 of the Reference Tariff Policy;

Tariff V Customer means a Customer in respect of whom the User is charged Haulage Reference Tariff V;

Tariff V Distribution Supply Point means a Distribution Supply Point to which is assigned Haulage Reference Tariff V as determined by the application of clause 1 of the Reference Tariff Policy;

Tariff V Haulage Reference Service means a Haulage Reference Service described as such in clause 5.2.1 of Part A of this Access Arrangement;

Tax means any royalty (whether based on value, profit or otherwise), tax, duty, excise, levy, impost, deduction, fee, rate, charge, rebate or withholding imposed from time to time during the term of this Access Arrangement by any government or any governmental, semi-governmental or other body authorised by law to impose that tax on or to:

- (a) the Distribution System (or any of its components);
- (b) the operation of the Distribution System; or
- (c) the provision of services by the Service Provider;

Tax Change Event occurs if:

- (a) any of the following occurs during the course of the Access Arrangement Period:
 - (1) a change in a Relevant Tax, in the application or official interpretation of a Relevant Tax, in the rate of a Relevant Tax, or in the way a Relevant Tax is calculated;
 - (2) the removal of a Relevant Tax;
 - (3) the imposition of a Relevant Tax; and
- (b) as a consequence, the costs to the Service Provider of providing Reference Services are materially increased or materially decreased;

Terms and Conditions means the terms and conditions referred to in clause 5.4 of Part A and as set out in Part C of this Access Arrangement;

Terrorism Event means an act (including, but not limited to, the use of force or violence or the threat of force or violence) of any person or group of persons (whether acting alone or on behalf of in connection with any organisation or government), which:

- (a) from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons (including the intention to influence or intimidate any government and/or put the public, or any section of the public, in fear); and
- (b) which materially increases or materially decreases the costs to the Service Provider of providing Reference Services.

Note: In making a determination in relation to a Terrorism Event, the Regulator will have regard to, amongst other things:

- (c) whether the Service Provider has insurance against the event;
- (d) the level of insurance that an efficient and prudent service provider would obtain in respect of the event; and
- (e) whether a declaration has been made by a relevant government authority that a Terrorism Event has occurred.

Third Access Arrangement Period means a period commencing on 1 January 2008 and ending on 31 December 2012;

Transfer Point means a point at which Gas is transferred from:

- (a) a Transmission Pipeline to a Distribution Pipeline; or
- (b) a Distribution Pipeline to a Distribution Pipeline;

Transmission System means a pipeline or a system of pipelines, for the high pressure transmission of Gas operated by AEMO principally in Victoria, and all related facilities, together with:

- (a) all structures for protecting or supporting the pipeline or system of pipelines;
- (b) facilities for the compression of Gas, the maintenance of the pipeline or system of pipelines and the injection or withdrawal of Gas;
- (c) all fittings, appurtenances, appliances, compressor stations, odourisation plants, scraper stations, valves, telemetry systems (including communications towers) and works and buildings used in connection with the pipeline or system of pipelines,

but excluding storage facilities (being facilities for storing large quantities of Gas) and the Distribution System;

Transmission Pipeline has the same meaning as in the GIA;

Unaccounted for Gas (UAFG) means the difference between the amount of Gas injected into the Distribution System at all Transfer Points and the amount of Gas withdrawn from the Distribution System at all Distribution Supply Points, including but not limited to leakage or other actual losses, discrepancies due to metering inaccuracies and variations of temperature, pressure and other parameters;

Unrecovered Abolishment Service Charges Event occurs when:

- (a) the Service Provider has billed one or more Users for the Ancillary Reference Service known as "Meter and Service Removal" and, at the end of the Financial Year, the billed charges remain unpaid and are overdue, and there is no reasonable prospect of the Service Provider being paid those amounts;
- (b) it is necessary for safety reasons for the Service Provider, or the Service Provider is required (whether by a Regulatory Instrument or otherwise), to abolish a Connection and the Connection is not assigned to a Customer in [the information provided by the User to the Service Provider in accordance with the Gas Interface Protocol and clause 9.4\(a\) of the Access Arrangement](#);

Note:

- c) For the avoidance of doubt, no materiality threshold applies to an Unrecovered Abolishment Service Charges Event, such that a Service Provider is not required to demonstrate a material increase or material decrease in its costs for an Unrecovered Abolishment Service Event to occur; and

X has the same meaning as in clause 3.1 of the Reference Tariff Policy.

A.2. Interpretation

- (a) In this Access Arrangement, unless the context requires another meaning a reference:
 - (1) to the singular includes the plural and vice versa;
 - (2) to a gender includes all genders;
 - (3) to a document (including this Access Arrangement and a Regulatory Instrument) is a reference to that document (including any Appendices, Schedules and Annexures) as amended, consolidated, supplemented, novated or replaced;
 - (4) to an agreement includes any undertaking, representation, deed, agreement or legally enforceable arrangement or understanding whether written or not;
 - (5) to a notice means a notice, approval, demand, request, nomination or other communication given by one party to another under or in connection with this Access Arrangement;
 - (6) to a person (including a party) includes:
 - (A) an individual, company, other body corporate, association, partnership, firm, joint venture, trust or government agency; and
 - (B) the person's agents successors, permitted assigns, substitutes, executors and administrators; and
 - (C) where that person ceases to exist, is reconstituted, renamed or replaced, or where its powers or functions are transferred to another body, a reference to the body which replaces it or which serves substantially the same purpose or has the same powers or functions;
 - (7) to a law:
 - (A) includes a reference to any legislation, treaty, judgment, rule of common law or equity or rule of any applicable stock exchange; and
 - (B) is a reference to that law as amended, consolidated, supplemented or replaced; and
 - (C) includes a reference to any regulation, rule, statutory instrument, by-law or other subordinate legislation made under that law;
 - (8) to time is to Melbourne time; and

- (9) to Haulage Reference Tariff D, Haulage Reference Tariff V or Haulage Reference Tariff M includes a reference to a new Haulage Reference Tariff introduced pursuant to the Reference Tariff Policy which supplements or replaces Haulage Reference Tariff D, Haulage Reference Tariff V or Haulage Reference Tariff M respectively and related terms shall be construed accordingly; and
- (10) the word including or includes means including, but not limited to, or includes, without limitation.
- (b) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (c) Headings are for convenience only and do not affect interpretation.
- (d) If a period occurs from, after or before a day or the day of an act or event, then, unless a contrary intention appears, it excludes that day.
- (e) A reference to a thing (including, but not limited to, a right) includes any part of that thing.
- (f) A reference to a right includes a remedy, power, authority, discretion or benefit.
- (g) All Reference Tariffs and Reference Tariff Components calculated under this Access Arrangement will be rounded to the accuracy, in terms of the number of decimal places, required by the relevant Service Provider's charging and billing systems.
- (h) A Reference Tariff which has been calculated and rounded under the principles in S 2.2(g) will not be rounded to a different level of accuracy when utilised in calculations made under this Access Arrangement.
- (i) All values used in calculations made under this Access Arrangement, except those values to which S 2.2(g) and S 2.2(h) apply, will not be rounded.
- (j) When a calculation is required under this Access Arrangement:
 - (1) a year "t" is the year in respect of which the calculation is being made;
 - (2) a year "t-1" is the year immediately preceding year "t"; and
 - (3) a year "t-2" is the year immediately preceding year "t-1".