# Attachment 3.8

Australian Gas Networks Fact Sheets

2016/17 to 2020/21 Access Arrangement Information



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## **Our Approach to Stakeholder Engagement**

Our approach to stakeholder engagement comprises four phases. It commences with developing the specific engagement approach (referred to earlier as the region-specific strategy), followed by undertaking relevant research to understand stakeholder values, including the outcomes of engagement into our business planning. The final phase is to continually engage with stakeholders to ensure we are always acting in a manner that is consistent with their long term interests.

Strategy	Research	Implementation	Ongoing Engagement
<ul> <li>The Strategy Phase will define, for each region, who we will engage with, how we will engage and the key issues that will be subject to consumer engagement.</li> <li>This Phase in itself will involve significant engagement, such as:</li> <li>Workshops with relevant internal stakeholders (senior AGN and APA Group management) to scope out potential issues and approaches to stakeholder engagement.</li> <li>Workshops with our key Reference Groups that have been established to guide our approach along with other key stakeholders, including the AER, AER Consumer Challenge Panel, state governments, state-based regulators and various representative community groups to develop the stakeholder engagement program for a particular region.</li> </ul>	<ul> <li>The Research Phase involves the implementation of the region-specific strategy determined in the Strategy Phase. This includes:</li> <li>Designing location specific engagement activities (such as workshops and interviews).</li> <li>Preparing clear information that will assist stakeholders participate effectively in our engagement activities (e.g. fact sheets).</li> <li>Conducting research (generally with the assistance of an independent expert, facilitating workshops, holding one-on-one meetings and collating/analysing results).</li> <li>Capture and report on customer insights.</li> </ul>	<ul> <li>Insights from the Research Phase will then be considered by AGN in the preparation of AA Proposals and Business Plans more generally. Activities include:</li> <li>Internal workshops to understand stakeholder insights.</li> <li>Business planning and modelling to adjust plans as appropriate to incorporate insights from the engagement program.</li> <li>Reporting in a clear and transparent manner how insights have been factored into our AA Proposal and Business Plans.</li> <li>Further stakeholder engagement on understanding stakeholder insights where appropriate.</li> </ul>	<ul> <li>This Phase involves:</li> <li>Reporting on the outcomes/effectiveness of previous engagement activities;</li> <li>Incorporating lessons learnt into future engagement programs;</li> <li>Continually engaging with stakeholders beyond the development of the AA Proposal.</li> <li>Activities during this Phase will include:</li> <li>Updating of relevant information on our dedicated interactive engagement website.</li> <li>Release/updating of educational materials explaining investment decisions.</li> <li>Periodic engagement with key stakeholders to understand their issues and key values (i.e. continual research).</li> </ul>

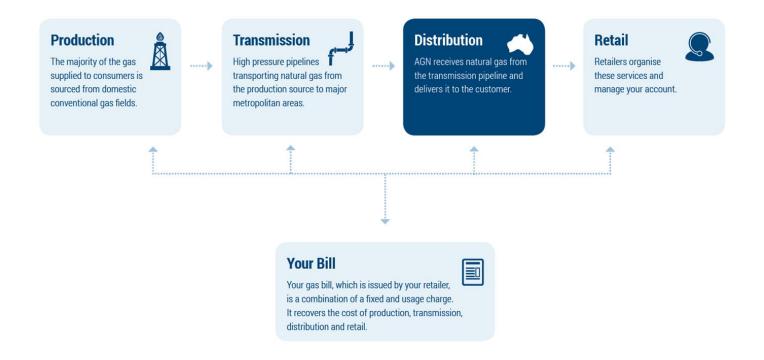
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# **Our Role in the Natural Gas Industry**

Australian Gas Networks does not control all of the factors that allow Gas to be available in your home or business, as a Gas Distributor our role is highlighted below:



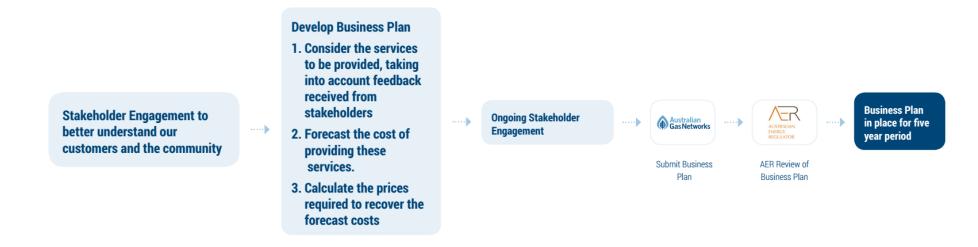
Although you receive your gas bill from your Gas Retailer, AGN has the responsibility for the safe and reliable delivery of gas to your home or business.



### **The Regulatory Process**

Under full regulation, Australian Gas Networks (AGN) is required to submit an access arrangement (a Business Plan) for each network to the Australian Energy Regulatory (AER) every five years. This plan sets out the services we will offer, the costs we are likely to incur, and the prices we propose to charge.

The AER reviews our Business Plan to make sure we are acting in line with legislation and in a manner that promotes the long-term interests of our customers. The AER will either accept our plan or specify changes to it. The approved Business Plan sets the maximum prices we can charge over the five-year regulatory period. AGN can adjust prices annually, consistent with the approved Business Plan.



We are currently preparing our South Australian Business Plan that will be submitted to the AER on 1 July 2015 and relates to the period 1 July 2016 through 30 June 2021.

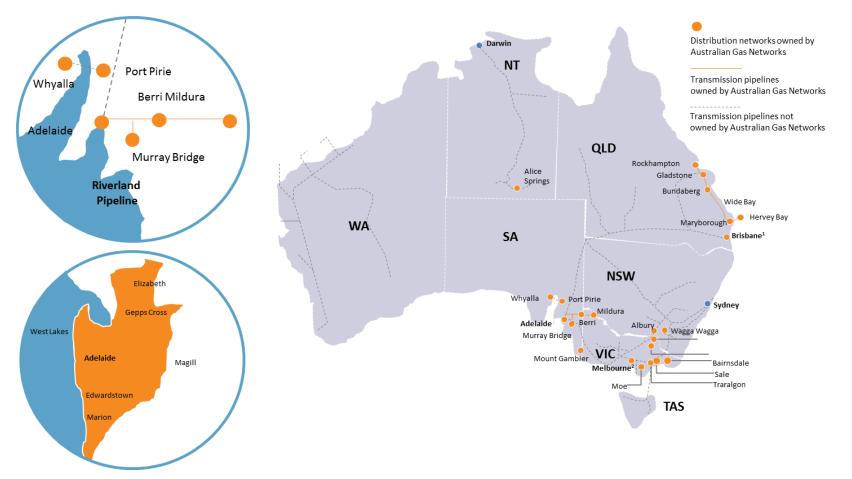
In addition to the AER, which is the national regulator, AGN is also subject to several state-based regulators including the Essential Services Commission of South Australia and the Essential Services Commission of Victoria.

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#### Where we operate

Australian Gas Networks owns about 23,000 kilometres of natural gas distribution networks and 1,100 kilometres of transmission pipelines, serving over 1.2 million consumers in South Australia, Victoria, Queensland, New South Wales and the Northern Territory.



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