

**Access arrangement for the ACT,
and Queanbeyan ~~and~~ Palerang
Regional gas distribution network**

1 July 20~~11~~16 - 30 June 202~~1~~6

~~(incorporating revisions required by
AER Final Decision 26 May 2016 —
clean)~~

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1. Introduction

Access Arrangement

1.1 This ~~document sets out the~~ Access Arrangement ~~sets out the terms on which Users can access that applies to AetewAGL's Evoenergy's g~~Gas distribution Network in the ACT, ~~and Queanbeyan and Palerang~~ Region on and from the Commencement Date.

1.2 Prospective Users wishing to gain access to the Network should contact:

~~Commercial Operations Manager~~
Networks Commercial, Gas Distribution
Jemena Asset Management
~~Level 14,~~ 99 Walker St
North Sydney NSW 2060
Email: RFS@jemena.com.au

AetewAGLEvoenergy's Network

1.3 As at the Commencement Date:-

(a) ~~AetewAGLEvoenergy's g~~Gas distribution Network comprises approximately 5,000 km of pipeline covering the ACT, ~~and~~ Queanbeyan, Palerang Region and includes Pipeline licence no. 29 from Hoskinstown to Fyshwick; and

~~(a)(b)~~ Gas is delivered into the Network through the Receipt Points set out in Schedule 8.

~~1.31.4~~ A map of the Network as at the Commencement Date is set out in Schedule 10. Further information about the Network can be found at www.evoenergy.com.au is available on AetewAGL's website at <http://www.aetewagl.com.au/About-us/The-AetewAGL-network/Natural-gas-network.aspx>. As at the Commencement Date, that map is also set out in the Access Arrangement Information.

Structure of this Access Arrangement

~~1.41.5~~ The structure of this Access Arrangement reflects the requirements of the National Gas Rules, and is organised as follows:

(a) Introduction - section 1;

(b) Services Policy - section 2;

(c) Operating Expenditure Efficiency Carryover~~Incentive~~ Mechanism - section 3;

~~(d)~~ Capital Expenditure Incentive Mechanism – section 4;

~~(d)(e)~~ Capital Expenditure - section 45;

~~(e)(f)~~ Fixed Principles - section 65;

~~(f)(g)~~ Return on ~~d~~Debt - section 76;

~~(g)(h)~~ Initial Reference Tariffs and Variations to Reference Tariff Variation Mechanisms - section 78;

~~(h)(i)~~ Tariff Categories - section 98;

~~(i)(j)~~ Extensions/Expansion Policy - section 910;

~~(j)(k)~~ Capacity Trading Policy - section 110;

~~(k)(l)~~ Changing Receipt and Delivery Points - section 124;

~~(l)(m)~~ Queuing Policy - section 132; and

~~(m)(n)~~ Liability - section 134.

~~1.5~~1.6 The Schedules are organised as follows:

- (a) Definitions - Schedule 1;
- (b) Request for Service ~~p~~Procedures - Schedule 2;
- (c) Reference Tariff Schedule - Schedule 3;
- (d) Reference Tariff Adjustment Factors - Schedule 4;
- (e) Reference Service Agreement - Schedule 5;
- (f) Interconnection ~~of Embedded Network~~ Service - Schedule 6;
- (g) Operational Schedule - Schedule 7;
- (h) Receipt Point Pressures - Schedule 8; ~~and~~
- ~~(i)~~ Extrapolation MethodologiesCESS Contingent Payment Index - Schedule 9;
- ~~(j)~~ Network map - Schedule 10.

~~1.6~~1.7 Supporting information is provided in the Access Arrangement Information that has been submitted as a separate document.

Commencement of this Access Arrangement

~~1.7~~1.8 This Access Arrangement commences on the later of:

- (a) 1 July 2021~~16~~; and
- (b) if the Relevant Regulator's approval of this Access Arrangement takes effect under the National Gas Rules on a date after 1 July 2021~~16~~, that date.

Revisions to this Access Arrangement

~~1.8~~1.9 For the purposes of rule 49(1)(a) of the National Gas Rules:

- (a) the review submission date is 30 June 2025~~20~~; and

(b) the revision commencement date is 1 July 202~~6~~¹.

~~Access Arrangement subject to Applicable Law~~ Definitions and interpretation

~~1.9~~ All provisions in this Access Arrangement are subject to all Applicable Laws.

1.10 In this Access Arrangement, a term or expression starting with a capital letter:

(a) which is defined in Schedule 1 of this Access Arrangement, has the meaning given to it in Schedule 1; or

(b) if not defined in Schedule 1 of this Access Arrangement, has the meaning given to it in the Reference Service Agreement,

unless the context otherwise requires. In the case of inconsistency, the meaning given to it in Schedule 1 of this Access Arrangement will prevail.

~~1.10~~1.11 Schedule 1 sets out rules of interpretation for this Access Arrangement.

2. Services Policy

The Pipeline Services

2.1 ~~ActewAGL~~The Service Provider offers the following Pipeline Services:

- (a) the Reference Service, ~~being the Haulage Reference Service~~; and
- (b) Non-Reference Services.

Haulage Reference Services

2.2 ~~ActewAGL~~The Service Provider will make the Haulage Reference Service available to Users and Prospective Users in accordance with this Access Arrangement at the eligible delivery points specified in clause 2.4.

2.3 The Haulage Reference Service is a Service for:

- (a) the transportation of ~~g~~Gas by ~~ActewAGL~~the Service Provider through the Network to ~~an~~single eligible Delivery Point for use and consumption within the premises served by that Delivery Point;
- (b) meter reading and associated data activities, and the provision and maintenance of a standard metering installation at the Delivery Point as appropriate for the required capacity and meter reading frequency; and
- (c) ancillary activities as set out in the Reference Tariff Schedule, as may be requested by a User.

2.4 A ~~d~~Delivery pPoint is eligible for ~~a~~Haulage~~the~~ Reference Service if:

- (a) it is a Delivery Point existing on the Network to which a service designated as a reference service under the ~~2010-15~~2016-21 ~~a~~Access aArrangement is provided on the Commencement Date; or
- (b) it is a new ~~d~~Delivery pPoint, established on or after the Commencement Date, that is served from ~~existing the~~ Network ~~facilities~~, where:
 - (i) the maximum allowable operating pressure is less than or equal to 500 kPa and ~~ActewAGL~~the Service Provider reasonably expects that the Delivery Point will consume less than 10 TJ per annum; or
 - (ii) the maximum allowable operating pressure is less than or equal to 1,050 kPa and ~~ActewAGL~~the Service Provider reasonably expects that the Delivery Point will consume 10 TJ per annum or greater.

Terms and Conditions of the Reference Service

2.5 ~~Subject to clause 2.6, t~~he terms and conditions upon which ~~ActewAGL~~the Service Provider will ~~supply~~provide the Haulage Reference Service are set out in the Reference Service Agreement in Schedule 5.

~~2.6 ActewAGL may seek the Relevant Regulator's approval to amend the terms of the Reference Service Agreement during this Access Arrangement Period in accordance with Division 10 of Part 8 of the National Gas Rules.~~

Non-Reference Services

~~2.72.6 ActewAGL~~The Service Provider offers the following Non-Reference Services ~~on the Network to Users and Prospective Users:~~

- (a) ~~the an~~ Interconnection of Embedded Network Service, which is described in clause 2.7 below; and
- (b) a Negotiated Services, which ~~are is~~ described in clause 2.8 below.

Interconnection of Embedded Network Service

~~2.7 The An~~ Interconnection of Embedded Network Service is a Service provided by ~~ActewAGL~~the Service Provider to establish:

- (a) ~~an Embedded Network Operator for the establishment of a single~~ Delivery Point to enable delivery of Gas from the Network into on an a Downstream Embedded Network connected to the Network; or
- (b) a Receipt Point to enable delivery of Gas into the Network from an Upstream Facility,

~~on the terms and conditions specified agreed to by ActewAGL~~the Service Provider and the Prospective User upon application for this Service, ordinarily including those, to the extent applicable, contained in ~~Schedule 6~~the Operational Schedule.

Negotiated Services

2.8 Where a Prospective User has specific needs which differ from those which would be satisfied by the Reference Service or the Interconnection of Embedded Network Service, the Prospective User may seek to negotiate different terms and conditions as a Negotiated Service and enter into a ~~Negotiated~~ Service Agreement with ~~ActewAGL~~the Service Provider.

~~2.9 Should a dispute arise between ActewAGL and a Prospective User about the provision of a Negotiated Service it will be resolved in accordance with the dispute resolution procedures in the National Gas Law and the National Gas Rules, unless the parties agree otherwise in the Negotiated Service Agreement.~~

Requests for Service

~~2.102.9~~ A ~~User or~~ Prospective User who seeks to obtain the Reference Service or a Non-Reference Service must comply with the ~~Request for Service~~ procedures set out in Schedule 2, ~~regardless of whether the~~ A User must also comply with those procedures if or Prospective User the User seeks to obtain a Service for the first time or a change to an existing Reference Service or a Non-Reference Service to a Delivery Point.

~~2.112.10~~ ~~ActewAGL~~The Service Provider's ability to offer a Pipeline Service involving transportation of Gas to a Delivery Point (including a Reference Service) in response to a Request is subject to having sufficient capacity in the Network~~the Queuing Policy.~~

2.122.11 All ~~Prospective Users of a Service is~~ are required to enter into a Service Agreement specific to the relevant User and that Pipeline Service before receiving the Pipeline Service and, to the extent applicable, must ~~agree to be bound by~~ comply with the provisions of the Operational Schedule.

3. Operating Expenditure Efficiency Carryover Incentive Mechanism

Operation of incentive mechanism

3.1 The incentive mechanism specified in this clause 3 will apply to operating expenditure incurred in the ~~2021-16~~ Access Arrangement Period and will operate in the following way:

- (a) ~~ActewAGL~~The Service Provider will retain the benefit of ~~efficiency gains derived from~~ actual operating expenditure being lower, or incur ~~efficiency losses derived from~~the cost of actual operating expenditure being higher, than forecast operating expenditure included in the Total Revenue in each Financial Year of the ~~2021-16~~ Access Arrangement Period;
- (b) the mechanism carries forward ~~ActewAGL~~the Service Provider's incremental efficiency gains (or losses) for five Financial Years from the Financial Year in which those gains (or losses) occur;
- (c) annual carryover amounts accrue in each Financial Year of the ~~2026-1~~ Access Arrangement Period as the summation of the incremental efficiency gains (or losses) in the ~~2021-16~~ Access Arrangement Period that are carried forward for five years-; and
- (d) the annual carryover amounts are added to ~~ActewAGL~~the Service Provider's Total Revenue in each Financial Year of the ~~2026-1~~ Access Arrangement Period. If necessary, the annual efficiency gain (or loss) is carried forward into the 2026 Access Arrangement Period until it has been retained by the Service Provider for a period of five years.

Incremental efficiency gains or losses

3.2 The incremental efficiency gain (or loss) for ~~year five of the 2016 Access Arrangement Period~~Financial Year 2021-22 will be calculated using the following equation:

$$\underline{E_{2021-22} = (F_{2021-22} - A_{2021-22}) - [(F_{2020-21} - A_{2020-21}) + (F_{2019-20} - A_{2019-20})] - \text{non-recurrent efficiency gains}_{2019-20}}$$

where:

F₂₀₂₁₋₂₂ is the forecast operating expenditure for Financial Year 2021-22.

A₂₀₂₁₋₂₂ is the actual operating expenditure for Financial Year 2021-22.

F₂₀₂₀₋₂₁ is forecast operating expenditure for Financial Year 2020-21.

A₂₀₂₀₋₂₁ is the actual operating expenditure for Financial Year 2020-21.

F₂₀₁₉₋₂₀ is the forecast operating expenditure for Financial Year 2019-20.

A₂₀₁₉₋₂₀ is the actual operating expenditure for Financial Year 2019-20.

non-recurrent efficiency gains₂₀₁₉₋₂₀ means any efficiency gains which were achieved in Financial Year 2019-20 but removed by the AER for the purposes of forecasting operating expenditure for the 2021 Access Arrangement Period on the basis that they were not likely to extend to years after Financial Year 2019-20.

$$E_5^* = (F_5 - A_5^*) - (F_4 - A_4)$$

where:

~~A_5^* is the estimate of actual operating expenditure for year five of the 2016 Access Arrangement Period and is estimated using the following equation:~~

~~$$A_5^* = F_5 - (F_b - A_b) + \text{non-recurrent efficiency gains}_b$$~~

~~F_5 is forecast operating expenditure for year five of the 2016 Access Arrangement Period.~~

~~F_4 is the forecast operating expenditure for year four.~~

~~A_4 is the actual operating expenditure in year four.~~

~~*Non-recurrent efficiency gains_b* means any non-recurrent efficiency gains which were achieved in the Base Year but removed by the Relevant Regulator for the purposes of forecasting operating expenditure for the 2021 Access Arrangement Period on the basis that they were not likely to extend to years after the Base Year.~~

- 3.3 The incremental efficiency gain (or loss) for Financial Years 2022-23 to 2024-25 (inclusive)~~the first year (year one) to the penultimate year (year four) of the 2016 Access Arrangement Period~~ will be calculated using the following equation:

$$E_i = (F_i - A_i) - (F_{i-1} - A_{i-1})$$

where:

E_i is the efficiency gain for year i of the ~~2021~~2021-26 Access Arrangement Period.

F_i is the forecast operating expenditure for year i of the ~~2021~~2021-26 Access Arrangement Period.

A_i is the actual operating expenditure for year i of the ~~2021~~2021-26 Access Arrangement Period.

F_{i-1} is the forecast operating expenditure for year (i-1).

A_{i-1} is the actual operating expenditure for year (i-1).

- 3.4 The incremental efficiency gain (or loss) for ~~the first year of the 2021 Access Arrangement Period (referred to as year six)~~Financial Year 2025-26 is to be calculated using the following equation:

$$E_6 = (F_6 - A_6) - (F_5 - A_5) + (F_b - A_b) - \text{non-recurrent efficiency gains}_b$$

$$E_{2025-26}^* = (F_{2025-26} - A_{2025-26}^*) - (F_{2024-25} - A_{2024-25})$$

where:

F₂₀₂₅₋₂₆ is the forecast operating expenditure for Financial Year 2025-26.

F₂₀₂₄₋₂₅ is the forecast operating expenditure for Financial Year 2024-25.

A₂₀₂₄₋₂₅ is the actual operating expenditure for Financial Year 2024-25.

A₂₀₂₅₋₂₆*E₆ is the estimate of operating expenditure for Financial Year 2025-26 efficiency gain for the first year of the 2026~~1~~ Access Arrangement Period and is estimated using the following equation:-

$$A_{2025-26}^* = F_{2025-26} - (F_b - A_b) + \text{non-recurrent efficiency gain}_b$$

~~F₆~~ is forecast operating expenditure for the first year of the 2021 Access Arrangement Period.

~~A₆~~ is the actual operating expenditure for the first year of the 2026~~1~~ Access Arrangement Period.

~~F₅~~ is forecast operating expenditure for year five of the 2016 Access Arrangement Period.

~~A₅~~ is the actual operating expenditure for year five of the 2016 Access Arrangement Period.

F_b is the forecast operating expenditure for the Base Year.

A_b is the actual operating expenditure for the Base Year.

~~Non-recurrent efficiency gain_s~~ means any ~~non-recurrent~~ efficiency gains which were achieved in the Base Year but removed by the Relevant Regulator for the purposes of forecasting operating expenditure for the 2026~~1~~ Access Arrangement Period on the basis that they were not likely to extend to years after the Base Year.

Application of efficiency gains or losses

- 3.5 Increments or decrements from the summation of incremental efficiency gains or losses calculated in accordance with the incentive mechanism in the 2021~~6~~ Access Arrangement Period will give rise to an additional "building block" in the calculation of the Total Revenue amounts under rules 76(d) and 98(2) of the National Gas Rules for each Financial Year of the 2026~~1~~ Access Arrangement Period.
- 3.6 The incremental efficiency gains (or losses) will be carried into the 2026~~1~~ Access Arrangement Period in real dollars to ensure that they are not eroded by inflation. ~~The measure of inflation will be consistent with the measure used in the Access Arrangement. The price indices used in this calculation are to be consistent with those used to forecast operating expenditure for the 2026 Access Arrangement Period.~~

Application of formulae

3.7 For the purposes of applying the formulae set out in clauses 3.2 to 3.4:

~~(a) the forecast operating expenditure amount for each year will be adjusted to take into account:~~

~~(i) [OMITTED]~~

~~(ii) any change in ActewAGL's approach to classifying costs as either capital expenditure or operating expenditure during the 2016 Access Arrangement Period such that the forecast operating expenditure used in applying the relevant formula(e) is consistent with the capitalisation policy changes. If there is a change in ActewAGL's approach to classifying costs as either capital expenditure or operating expenditure during the 2016 Access Arrangement Period, ActewAGL must provide a detailed description of the change and a calculation of its impact on forecast and actual operating expenditure for each year of the 2016 Access Arrangement Period in its access arrangement for the 2021 Access Arrangement Period;~~

~~(b) the following expenditure will be excluded from the operation of the incentive mechanism:~~

~~(i) [OMITTED]~~

~~(ii) [OMITTED]~~

~~(iii) [OMITTED]~~

~~(iv) [OMITTED]~~

~~(v) [OMITTED]~~

~~(vi) [OMITTED]~~

~~(vii) any expenditure incurred in respect of an expenditure category that:~~

~~(A) is not forecast using a single year revealed cost approach in the 2021 Access Arrangement Period; and~~

~~(B) the Relevant Regulator determines, as part of a decision on revisions to apply to this Access Arrangement (and following the consultation processes associated with that decision), to exclude from the operation of the incentive mechanism because it is satisfied that it would not promote the National Gas Objective; and~~

(a) any expenditure incurred in respect of an expenditure category that:

(i) is not forecast using a single year revealed cost approach in the 2026 Access Arrangement Period; or

(ii) that the Service Provider and the Relevant Regulator agree to exclude from the operation of the efficiency carryover mechanism,

will be excluded from the operation of the operating expenditure efficiency carryover mechanism; and

(e)(b) the forecast operating expenditure amount for each year of the 2021~~16~~ Access Arrangement Period will be adjusted to include any Determined Pass Through Amounts or other ~~AER-approved~~ expenditure approved by the Relevant Regulator arising from ~~c~~Cost ~~P~~pass ~~t~~Through ~~E~~events which apply in respect of that year.

4. Capital Expenditure Incentive Mechanism

Operation of the incentive mechanism

4.1 The incentive mechanism specified in this clause 4 will apply to capital expenditure (defined to exclude certain expenditure as per clause 4.2(e) and be referred to as the Capital Expenditure Sharing Scheme or the CESS. The CESS may result in a CESS reward or penalty for the Service Provider.

4.2 The CESS will operate in the following way:

(a) The annual efficiency gain (or loss) under the CESS will be calculated by subtracting the Service Provider's actual capital expenditure from the approved capital expenditure allowance in each year of this Access Arrangement Period. For the final year (and in some instances the penultimate year) an estimate of actual capital expenditure will be used.

(b) The efficiency gain (or loss) for each Financial Year will be compounded into its Net Present Value (NPV) as at the end of the Access Arrangement Period using the nominal WACC for each year of the Access Arrangement Period updated annually within the PTRM and calculated in accordance with the AER's Final Decision and the Rate of Return Instrument. In doing so, it is assumed that capital expenditure is incurred in the middle of the year.

(c) The total efficiency gain will be shared between the Service Provider and Users who are provided the Reference Service. The CESS reward or penalty for the Service Provider will be calculated by adjusting its share of the total efficiency gain for any financing benefits of underspending or financing costs of overspending and, in the case of a CESS reward, deterioration in average asset performance in certain circumstances.

(d) For the purpose of calculating the annual efficiency gain (or loss), the approved capital expenditure allowance is to be adjusted to take into account a change in the scope of activities in accordance with the approach outlined in clause 4.9(c) below or for any Cost Pass Through Event that the Relevant Regulator has determined has an Administrative Cost Impact.

(e) For the purposes of applying the CESS capital expenditure is defined to:

(i) exclude expenditure related to connecting customers (i.e. connections capex under Part 12A of the National Gas Rules);

(ii) reduce by any capital contributions towards expenditure not covered by subclause (i) above; and

(iii) reduce by any asset disposals.

(f) A discount rate will be applied to account for the time value of money. This adjustment will also be required for the penultimate year of the Access Arrangement Period where finalised actual capital expenditure figures are not available before the AER's Final Decision is made.

4.3 The total efficiency gain is calculated as a summation of the annual efficiency gains (or losses) converted to 2025-26 NPV. The calculation for each year's annual end of year efficiency gain is calculated in accordance with clause 4.4. The calculation of future NPV for each year is calculated in accordance with clause 4.5.

4.4 The annual end of year efficiency gain or loss (AEG) for each year in Year n value in the Access Arrangement Period is calculated as follows:

$$AEG_n = (F_n^C - A_n^C)$$

where:

$$F_n^C = (1 + Real\ WACC_n)^{0.5} \times F_n$$

$$A_n^C = (1 + WACC_n)^{0.5} \times A_n$$

and where:

n is the sequence number of Financial Year in the Access Arrangement Period (2021-22 is 1, 2022-23 is 2, 2023-24 is 3, 2024-25 is 4 and 2025-26 is 5);

$WACC_n$ is the nominal WACC for year n updated annually within the PTRM and calculated in accordance with the AER's Final Decision and the Rate of Return Instrument;

$Real\ WACC_n$ is the real WACC for year n calculated in the PTRM using $WACC_n$ and the forecast inflation set out in the AER's Final Decision;

F_n^C is the capital expenditure allowance for Financial Year n in year-end Year n value;

A_n^C is actual capital expenditure for Financial Year n in year-end Year n value;

F_n is the capital expenditure allowance for Financial Year n in mid-year Year n value using actual inflation where known and where not known, using the forecast inflation set out in the AER's Final Decision; and

A_n is the actual expenditure for Financial Year n in mid-year Year n value in nominal dollars (i.e. dollars as incurred).

4.5 The AEG in clause 4.4 will be converted to NPV as at the end of the Access Arrangement Period. This will be through the use of the nominal WACC for each year of the Access Arrangement Period updated annually within the PTRM and calculated in accordance with the AER's Final Decision and the Rate of Return Instrument.

For example:

Year 1 efficiency gain ($n=1$ and being the 2021-22 Financial Year) will be compounded to the end of the Access Arrangement Period using the following formula:

$$NPV_{2026}(AEG_1) = (1 + WACC_2) \times (1 + WACC_3) \times (1 + WACC_4) \times (1 + WACC_5) \times AEG_1$$

Year 2 efficiency gain (n=2 and being the 2022-23 Financial Year) will be compounded to the end of the Access Arrangement Period using the following formula:

$$NPV_{2026}(AEG_2) = (1 + WACC_3) \times (1 + WACC_4) \times (1 + WACC_5) \times AEG_1$$

4.6 The CESS will share efficiency gains or losses in the following way:

(a) A sharing factor of 30% will apply to the total efficiency gain or loss. This means that the Service Provider will bear 30% of any loss and will retain 30% of any gain. The remaining 70% will be returned to Users who are provided the Reference Service.

(b) The Service Provider's share of the total efficiency gain is calculated as follows:

$$\text{Service Provider's share} = \text{Total efficiency gain} \times 30\%$$

4.7 The CESS will account for net financing benefits in the following way:

(a) The CESS takes into account benefits or costs that have already accrued to the Service Provider during the Access Arrangement Period in order to ensure that the power of the incentive is the same in each Financial Year. This is the financing benefit of any underspend and the financing cost of any overspend.

(b) Capital expenditure is assumed to be incurred in the middle of each Financial Year and would be adjusted to end of year terms. In the case of an underspend, the Service Provider will recover a financing benefit (in the year following an underspend) equal to the underspend, in the preceding years, multiplied by the real WACC in the year.

(c) The financing benefit from preceding years will be compounded, namely, the financing benefit for each year will be compounded to its NPV using nominal WACC at the end of the Access Arrangement Period. In doing so it is assumed financing benefits accrue at the end of the year. To calculate the total financing benefit, the annual financing benefits in NPV terms are summed.

(d) The end of the year net financing benefit for each year is calculated in accordance with clause 4.7(e). The calculation of the future NPV for each year is calculated in accordance with clause 4.7(f).

(e) The annual financing benefit (FB) in year n is a summation of the financing benefits calculated using the following equation:

$$FB_n = \text{Real WACC}_n \times \sum_{k=2}^n AEG_{k-1}$$

where:

AEG_{k-1} is a summation of the financing benefits in year n-1 real dollars.

For example:

The Year 2 FB ($n=2$) will be calculated as follows:

$$(FB_2) = \text{Real WACC}_2 \times AEG_1$$

The Year 3 FB ($n=3$) will be calculated as follows:

$$(FB_3) = \text{Real WACC}_3 \times (AEG_1 \times (1 + \text{Actual CPI}_2) + AEG_2)$$

The Year 4 FB ($n=4$) will be calculated as follows:

$$(FB_4) = \text{Real WACC}_4 \times ((AEG_1 \times (1 + \text{Actual CPI}_2) \times (1 + \text{Actual CPI}_3) + AEG_2) \times (1 + \text{Actual CPI}_3) + AEG_3)$$

- (f) The annual FB in year n calculated in accordance with clause 4.7(e) will then be compounded into its NPV as at the end of the Access Arrangement Period. This will be through the use of the nominal WACC for each year of the Access Arrangement Period updated annually within the PTRM and calculated in accordance with the AER's Final Decision and the Rate of Return Instrument.

For example:

The Year 2 FB ($n=2$) will be compounded to the end of the Access Arrangement Period using the following formula:

$$NPV_{2026}(FB_2) = (FB_2) \times (1 + WACC_3) \times (1 + WACC_4) \times (1 + WACC_5)$$

Year 3 FB ($n=3$) will be compounded to the end of the Access Arrangement Period using the following formula:

$$NPV_{2026}(FB_3) = (FB_3) \times (1 + WACC_4) \times (1 + WACC_5)$$

4.8 The CESS will account for rewards and penalties in the following way:

- (a) The CESS reward payable to, or penalty payable by, the Service Provider is calculated by subtracting the net financing benefit from the Service Provider's share of the cumulative efficiency gain and by adjusting for asset performance in certain circumstances.

- (b) The CESS reward (penalty) is calculated as follows:

$$\text{CESS reward} = (\text{Service Provider share} - \text{net financing benefit}) \times \text{CPF}$$

where:

CPF is the Contingent Payment Factor calculated as:

<u>Service Provider's share</u>	<u>Contingent Payment Index (CP)</u>	<u>Contingent Payment Factor (CPF)</u>
<u>> Greater than net financing benefit</u>	<u>CP > or = 100</u>	<u>1</u>
	<u>80 < CP < 100</u>	<u>$\frac{API - 80}{20}$</u>
	<u>CP < or = 80</u>	<u>0</u>
<u>< Less than or = equal to net financing benefit</u>	<u>Any value</u>	<u>1</u>

API is the Contingent Payment Index calculated for the Access Arrangement Period in accordance with Schedule 9.

- (c) The CESS reward (penalty) will give rise to an additional “building block” in the calculation of the Total Revenue amounts under rules 76(d) and 98(2) of the National Gas Rules for each Financial Year of the 2026 Access Arrangement Period.

4.9 The CESS will account for actual capital expenditure for the final year of the Access Arrangement Period in the following way:

- (a) Actual capital expenditure for the final year of the Access Arrangement Period will not be available when the rewards or penalties for the CESS are calculated for that Access Arrangement Period. Instead, an estimate of capital expenditure will be used to calculate the efficiency gain (or loss) for the final year of the Access Arrangement Period.
- (b) Prior to the revisions submission date for the 2031 Access Arrangement Period, actual capital expenditure data will be available for the final year of the Access Arrangement Period. Where the Service Provider's actual capital expenditure differs from the capital expenditure estimate used to calculate the CESS reward or penalty, an adjustment will be made to account for the difference.
- (c) The adjustment for the final year of the Access Arrangement Period will be (in present value terms as at 30 June 2031):

$$\begin{aligned}
 & \text{Final year adjustment} \\
 & = (A_p^{C*} - A_p^C) \times \left[\frac{\text{Sharing factor} - 1}{(1 + WACC_p)^{-0.5}} + 1 \right] \\
 & \quad \times (1 + WACC_{\text{NextAA}})^5 \times CPF
 \end{aligned}$$

where:

A_p^{C*} is the estimate of actual capital expenditure in the final year of the Access Arrangement Period that has been used to initially calculate the CESS reward or penalty;

A_p^C is actual capital expenditure in the final year of the Access Arrangement Period;

CPF is the Contingent Payment Factor calculated in accordance with clause 4.8(b) above;

$WACC_p$ is the nominal WACC updated within the PTRM for the final year of the Access Arrangement Period;

$WACC_{NextAA}$ is the average nominal WACC determined by the Relevant Regulator for each year of the 2026 Access Arrangement Period; and

Sharing factor is the sharing factor of 30% referred to in clause 4.6(a) above.

- (d) For the avoidance of doubt, the adjustment referred to in clause (b) above should only adjust for any financing benefit or cost resulting from the difference between estimated and actual capital expenditure in the final year of the Access Arrangement Period to the extent that that benefit or cost was included within the CESS reward or penalty applicable to that Financial Year.

4.10 The CESS will adjust actual or allowed capital expenditure in certain circumstances as follows:

- (a) CESS payments will be adjusted where the Service Provider defers capital expenditure projects in the 2021 Access Arrangement Period to the 2026 Access Arrangement Period; and

(i) the amount of the deferred capital expenditure in the 2021 Access Arrangement Period is material; and

(ii) the amount of the estimated underspend in capital expenditure in the 2021 Access Arrangement Period is material; and

(iii) total approved forecast capital expenditure in the 2026 Access Arrangement Period is materially higher than it is likely to have been if a material amount of capital expenditure was not deferred in the 2021 Access Arrangement Period.

If the Relevant Regulator determines that an adjustment will be made, the adjustment is the present value of the estimated marginal increase in forecast capital expenditure in the 2026 Access Arrangement Period attributable to capital expenditure deferred in this Access Arrangement Period.

- (b) Actual capital expenditure will be adjusted to remove any expenditure that is not rolled in to the Service Provider's Capital Base used to determine revenue over the 2026 Access Arrangement Period.

- (c) Allowed capital expenditure will be adjusted for any capital expenditure that is included by the Relevant Regulator in a Determined Pass Through Amount under clause 8. For the avoidance of doubt, an adjustment may be positive or negative.

4.5. Capital Expenditure

Speculative capital expenditure

~~4.15.1~~ Any new capital expenditure undertaken by ~~ActewAGL~~the Service Provider that does not satisfy the requirements of rule 79 of the National Gas Rules (referred to in those Rules as non-conforming capital expenditure), to the extent that it is not to be recovered through a Surcharge on Users or a capital contribution by Users under rule 82 of the National Gas Rules, forms part of the Speculative Capital Expenditure Account (as contemplated by rule 84 of the National Gas Rules). ~~ActewAGL~~The Service Provider may increase the Capital Base in accordance with rule 84(3) of the National Gas Rules if a part of the Speculative Capital Expenditure Account subsequently satisfies the requirements of rule 79 of the National Gas Rules.

Review of Capital Base after expiry of an Access Arrangement

~~4.2~~ ~~The Capital Base at the commencement of the 2021 Access Arrangement Period will be assessed by the Relevant Regulator using the information in relation to those assets in:~~

- ~~(a) the asset register~~
- ~~(b) the database on capital contributions; and~~
- ~~(c) the AER's final decision Roll Forward Model and Post-Tax Revenue Model.~~

~~4.35.2~~ In calculating the Capital Base at the commencement of the 2026 Access Arrangement Period~~that time~~, depreciation of the Capital Base is to be based on forecast capital expenditure.

~~Asset register~~

~~4.4~~ ~~ActewAGL will maintain an asset register. The asset register will include information on:~~

- ~~(a) economic asset lives and remaining asset lives underlying the Capital Base at the Commencement Date. The economic asset lives and remaining asset lives should be consistent with those set out in the AER's final decision Post-Tax Revenue Model.~~
- ~~(b) asset components (i.e. asset types and asset quantities) consistent with the regulatory Capital Base at the Commencement Date. The asset classes should be consistent with those set out in the AER's final decision Post-Tax Revenue Model; and~~
- ~~(c) new capital expenditure incurred after the Commencement Date including information on economic asset lives and asset quantities.~~

~~Database of capital contributions~~

~~4.5~~ ~~ActewAGL will maintain a database that records the following information in relation to capital contributions (as defined in the National Gas Rules) made to ActewAGL:~~

- ~~(a) the amount of a capital contribution made by a User in respect of new capital expenditure;~~

- ~~(b) the amount of any charges paid by a User which exceeds the charges that would apply under a Reference Tariff for a Reference Service (or in relation to another Service under the Equivalent Tariff) where the excess is paid by the User in relation to the funding of new capital expenditure;~~
- ~~(c) the date that the capital contribution is made under clause 4.5(a) or the charges are paid under clause 4.5(b);~~
- ~~(d) the name of the User and the User's contact details; and~~
- ~~(e) a description of the new capital expenditure in relation to which the capital contribution is made under clause 4.5(a) or the charges are paid under clause 4.5(b).~~

Surcharges

~~4.65.3 ActewAGL~~The Service Provider will notify the Relevant Regulator of any proposed surcharge in respect of capital expenditure that does not satisfy the requirements of rule 79 of the National Gas Rules (referred to in those Rules as non-conforming capital expenditure) as contemplated by rule 83(1) of the National Gas Rules.

~~4.75.4 ActewAGL~~The Service Provider may charge Users the Surcharge approved by the Relevant Regulator where permitted to do so by the National Gas Rules.

~~4.85.5 ActewAGL~~The Service Provider will not roll any amount that is, or is to be, recovered by means of a Surcharge into the Capital Base.

5.6. Fixed principles

National Gas Rules

5.16.1 The following are fixed principles for the purposes of rule 99 of the National Gas Rules:

~~(a)~~ ~~[OMITTED]~~

~~(b)~~(a) the principle regarding the calculation of Capital Base set out in clause 5.2 is fixed for the ~~2021+6~~ Access Arrangement Period and the ~~2021-2026~~ Access Arrangement Period;

~~(b)~~ the principle in clause 8.17 (that costs associated with Cost Pass Through Events in the ~~2021+6~~ Access Arrangement Period which are not passed through in the ~~2016-2021~~ Access Arrangement Period may be passed through in the ~~2026+4~~ Access Arrangement Period) is fixed for the ~~2021+6~~ Access Arrangement Period and the ~~2026+4~~ Access Arrangement Period but, for the avoidance of doubt, is not binding in respect of the ~~2031+26~~ Access Arrangement Period;

~~(c)~~ the principle in clause 8.18 (that automatic adjustment factor costs incurred in an Access Arrangement Period which are not passed through in that Access Arrangement Period may be passed through in the subsequent Access Arrangement Period) is fixed for the 2021 Access Arrangement Period and 2026 Access Arrangement Period;

~~(e)~~(d) the principle regarding the operating expenditure efficiency carryover mechanism in section 3 is fixed for the 2021 Access Arrangement Period, the 2026 Access Arrangement Period and the 2031 Access Arrangement Period;

~~(d)~~(e) the principle in clauses 6.29 to 6.31 is fixed for the 2016 Access Arrangement Period and the 2021 Access Arrangement Period; the principle regarding the capital expenditure incentive mechanism in section 4 is fixed only to the extent to enable rewards or penalties arising from the application of the CESS in this Access Arrangement Period to be realised in a subsequent access arrangement period as contemplated by clauses 4.8(c) and 4.9. The fixed principle remains in force for the 2021 Access Arrangement Period, the 2026 Access Arrangement Period and the 2031 Access Arrangement Period; and

~~(e)~~(f) any other principle expressly stated in this Access Arrangement to be a fixed principle for the purposes of rule 99 of the National Gas Rules.

6.7. Return on Debt

Return on Debt formula

6.7.1 The return on debt for each Financial Year of this Access Arrangement Period is to be calculated as follows:

(a) For Financial Year 2016-17: $kd_{2016-17} = (0.9 \times R_{2015-16}) + (0.1 \times R_{2016-17})$;

(b) For Financial Year 2017-18: $kd_{2017-18} = (0.8 \times R_{2015-16}) + (0.1 \times R_{2016-17}) + (0.1 \times R_{2017-18})$;

(c) For Financial Year 2018-19: $kd_{2018-19} = (0.7 \times R_{2015-16}) + (0.1 \times R_{2016-17}) + (0.1 \times R_{2017-18}) + (0.1 \times R_{2018-19})$;

(d) For Financial Year 2019-20: $kd_{2019-20} = (0.6 \times R_{2015-16}) + (0.1 \times R_{2016-17}) + (0.1 \times R_{2017-18}) + (0.1 \times R_{2018-19}) + (0.1 \times R_{2019-20})$;

(a) For Financial Year 2020-21-22: $kd_{2020-21-22} = (0.54 \times R_{2015-16}) + (0.1 \times R_{2016-17}) + (0.1 \times R_{2017-18}) + (0.1 \times R_{2018-19}) + (0.1 \times R_{2019-20}) + (0.1 \times R_{2020-21}) + (0.1 \times R_{2021-22})$.

(b) For Financial Year 2022-23: $kd_{2022-23} = (0.3 \times R_{2015-16}) + (0.1 \times R_{2016-17}) + (0.1 \times R_{2017-18}) + (0.1 \times R_{2018-19}) + (0.1 \times R_{2019-20}) + (0.1 \times R_{2020-21}) + (0.1 \times R_{2021-22}) + (0.1 \times R_{2022-23})$.

(c) For Financial Year 2023-24: $kd_{2023-24} = (0.2 \times R_{2015-16}) + (0.1 \times R_{2016-17}) + (0.1 \times R_{2017-18}) + (0.1 \times R_{2018-19}) + (0.1 \times R_{2019-20}) + (0.1 \times R_{2020-21}) + (0.1 \times R_{2021-22}) + (0.1 \times R_{2022-23}) + (0.1 \times R_{2023-24})$.

(d) For Financial Year 2024-25: $kd_{2024-25} = (0.1 \times R_{2015-16}) + (0.1 \times R_{2016-17}) + (0.1 \times R_{2017-18}) + (0.1 \times R_{2018-19}) + (0.1 \times R_{2019-20}) + (0.1 \times R_{2020-21}) + (0.1 \times R_{2021-22}) + (0.1 \times R_{2022-23}) + (0.1 \times R_{2023-24}) + (0.1 \times R_{2024-25})$.

(e) For Financial Year 2025-26: $kd_{2025-26} = (0.1 \times R_{2016-17}) + (0.1 \times R_{2017-18}) + (0.1 \times R_{2018-19}) + (0.1 \times R_{2019-20}) + (0.1 \times R_{2020-21}) + (0.1 \times R_{2021-22}) + (0.1 \times R_{2022-23}) + (0.1 \times R_{2023-24}) + (0.1 \times R_{2024-25}) + (0.1 \times R_{2025-26})$.

where:

kd_t is the annual return on debt for Financial Year t of this Access Arrangement Period

and

R_t is the annual return on debt observation for each Financial Year t of this Access Arrangement Period (other than Financial Year 2016-17), calculated in accordance with the on-the-day return on debt calculation set out in the Rate of Return Instrument, clauses 6.2 to 6.9. For Financial Year 2016-17, $R_{2015-16} = 5.29$ per cent and $R_{2016-17} = 5.31$ per cent

~~Calculation of the annual return on debt observation~~

~~6.2 The return on debt observation for each Financial Year will be calculated by automatic application of the following formula. This requires three stages:~~

- ~~(a) the adjusted RBA estimate~~
- ~~(b) the adjusted BVAL estimate~~
- ~~(c) the final estimate where the AER combines its implementations of the RBA estimate and the BVAL estimate~~

~~6.3 These formula steps relate to the approach specified in the AER's Final Decision. In the event that data availability changes during the access arrangement period, the formulas below will change to reflect the contingencies set out in 6.8.~~

~~Calculation of the adjusted RBA estimate~~

~~6.4 To calculate the adjusted RBA estimate:~~

- ~~(a) Download RBA table F3 'Aggregate measures of Australian corporate bond yields' from the RBA website.~~
- ~~(b) From this file, download the 7 and 10 year 'Non financial corporate BBB rated bonds - Yield' entries for dates:
 - ~~(i) from the most recent published RBA date prior to the commencement of the nominated averaging period for debt~~
 - ~~(ii) to the first published RBA date following the conclusion of the nominated averaging period for debt~~
 - ~~(iii) all published dates between (i) and (ii)~~~~
- ~~(c) Download, from RBA table F16 'Indicative Mid Rates of Australian Government Securities 2013 to Current', daily yields on CGSs for dates within the service provider's averaging period.~~
- ~~(d) Linearly interpolate between the two nearest bonds straddling 7 years remaining term to maturity,¹ and the two nearest CGS bonds straddling 10 years remaining term to maturity. This should be done using the following formula:²~~

$$\text{yield}_{\text{interpolated}} = \text{yield}_{\text{lower straddle bond}} + (\text{yield}_{\text{upper straddle bond}} - \text{yield}_{\text{lower straddle bond}}) * (\text{date} - 10 \text{ years from interpolation date} - \text{maturity date}_{\text{lower straddle bond}}) / (\text{maturity date}_{\text{upper straddle bond}} - \text{maturity date}_{\text{lower straddle bond}})$$

¹ That is, the bond with the nearest maturity date that is earlier than 10 years from the interpolation date, and the bond with the nearest maturity date than is later than 10 years from the interpolation date.

² This formula relies on the operation in Microsoft Excel, dates can be subtracted from one another to work out the number of days in between two dates.

- (e) ~~Linearly extrapolate the published RBA 10 year yield (from step 6.4(b)) from its published effective term to an effective term of 10 years using the formula below:³~~

$$\text{yield}_{10} = \text{yield}_{10\text{-year-published}} + \left[\frac{(\text{spread-to-swap}_{10\text{-year-published}} - \text{spread-to-swap}_{x\text{-year-published}})}{(\text{effective-term}_{10\text{-year-published}} - \text{effective-term}_{x\text{-year-published}})} \right] * (10 - \text{effective-term}_{10\text{-year-published}})$$

- (f) ~~Linearly extrapolate the published RBA 7 year yield (from step 6.4(b)) from its published effective term to an effective term of 7 years using the formula below:⁴~~

$$\text{yield}_x = \text{yield}_{x\text{-year-published}} + \left[\frac{(\text{spread-to-swap}_{10\text{-year-published}} - \text{spread-to-swap}_{x\text{-year-published}})}{(\text{effective-term}_{10\text{-year-published}} - \text{effective-term}_{x\text{-year-published}})} \right] * (7 - \text{effective-term}_{x\text{-year-published}})$$

- (g) ~~Subtract from the extrapolated 10 year RBA yield on each publication date the interpolated CGS yield on that date. For the 10 year term, use the RBA series as adjusted in step 6.4(e). These are the adjusted RBA 10 year spreads.⁵~~

- (h) ~~Obtain daily RBA spread estimates by linear interpolation of the adjusted RBA spreads (from steps 6.4(e) and 6.4(f)) for both 7 and 10 year terms between the published dates identified in step 6.4(b). Use the adjusted RBA spread estimates as calculated in step 6.4(f). This should be done using the following formula:~~

$$\text{spread}_{\text{interpolated}} = \text{spread}_{\text{first-straddling-publication-date}} + \left(\frac{\text{date}_{\text{interpolation}} - \text{date}_{\text{first-straddling-publication-date}}}{\text{date}_{\text{second-straddling-publication-date}} - \text{date}_{\text{first-straddling-publication-date}}} \right) * (\text{spread}_{\text{second-straddling-publication-date}} - \text{spread}_{\text{first-straddling-publication-date}})$$

~~Note: If the annual return on debt estimate must be finalised before a final published RBA month-end estimate is available, hold the last observed RBA spread constant to the end of the averaging period.~~

- (i) ~~Add to these daily spreads (from step 6.4(h)), daily interpolated estimates of the CGS (from step 6.4(d)) for all business days in the service providers averaging period. Specifically:~~

- (i) ~~add the 7 year interpolated CGS estimates to the 7 year interpolated RBA spreads. These are the interpolated RBA daily 7 year yield estimates.~~

- (ii) ~~add the 10 year interpolated CGS estimate to the 10 year interpolated RBA spread. These are the interpolated RBA daily 10 year yield estimates.~~

- (j) ~~Convert the interpolated daily yield estimates (from step 9) to effective annual rates, using the formula:⁶~~

³ As per Lally, *Implementation issues for the cost of debt*, November 2014, pp. 38-44.

⁴ As per Lally, *Implementation issues for the cost of debt*, November 2014, pp. 38-44.

⁵ We have re-calculated the published 'spread to CGS' by subtracting our estimate of the interpolated CGS, as calculated in step 4, from the RBA's published yield to maturity. This allows us to combine daily data from the CGS with an estimate of the spread calculated correctly with reference to both the RBA's yield estimate and our estimate of CGS.

$$\text{effective annual rate} = ((1 + \text{yield} / 200)^2 - 1) * 100$$

- (k) Average the yield estimate for the 10 year RBA yield estimate over all business days in the service provider's averaging period. This is our adjusted RBA estimate.

Calculation of the adjusted BVAL estimate

6.5 To calculate the adjusted BVAL estimate:

- (a) For dates after 14 April 2015, download the 10 year Corporate BBB rated Australian BVAL curve (BVCSAB10). For dates before 14 April 2015, download from Bloomberg the 7 year Corporate BBB rated Australian BVAL curve (BVCSAB07 index) for all business days in the service provider's averaging period.⁷

- (b) For dates before 14 April 2015, add to the 7 year yield the difference between the 7 and 10 year daily RBA adjusted yields (as calculated in step 6.4(h)) of the RBA process). This is the extrapolated daily estimate of the BVAL 10 year yield.⁸

- (c) For all dates, convert the 10 year yields into effective annual rates, using the formula:

$$\text{effective annual rate} = ((1 + \text{yield} / 200)^2 - 1) * 100$$

- (d) Average the extrapolated daily estimates of the BVAL 10 year yield over all business days in the service provider's averaging period. This is our adjusted BVAL estimate.

Final estimate

6.6 Take the simple average of the adjusted RBA estimate (from step 6.4(k) in the RBA data section) and the adjusted BVAL estimate (from step 6.5(d) in the BVAL data section). This is the annual estimate of the return on debt.

6.7 A business day means a day other than a Saturday, Sunday or a day recognised as a national public holiday or a public holiday in NSW.⁹

Annual return on debt observation where relevant data not available

6.8 For any Financial Year of this Access Arrangement Period, with the exception of the Financial Year 2016-17, for which an annual return on debt observation cannot be calculated in accordance with clauses 6.2 to 6.7, due to changes in data availability, adjust the approach

⁶ In this formula, the term 'published yield / 200' is based on the yield being published as a number (e.g. 2.0) rather than a percentage (e.g. 2 %, or 0.02). The RBA yield data is published in this form at the time of this decision. For example, where the yield is published as '2.0', this is equivalent to 2 per cent or 0.02. However, it is necessary to convert from the published yield to either alternative to calculate the effective annual rate. If the spread was published as 2 per cent, this term would be 'published spread/2'.

⁷ Subject to the availability of the Bloomberg BVAL curve. For other contingencies, see section C.6.4.

⁸ If only the 5 year BVAL curve is available, adjust necessary steps to perform the same process using the margin between the adjusted 5 and 10 year RBA yields.

⁹ This is because Bloomberg data is published on NSW business days.

in accordance with the contingencies as follows:

Event	Changes to approach
Either the RBA or Bloomberg ceases publication of Australian yield curves that reflect a broad BBB rating.	We will estimate the annual return on debt using the remaining curve.
A different third party commences publication of a 10 year yield estimate (or we are made aware of a different third party publishing a 10 year yield estimate)¹⁰.	We will not apply estimates from a third party data provider that we have not evaluated and included in our final decision approach. We will consider any new data sources in future determinations.
Either Bloomberg or RBA substitutes its current methodology for a revised or updated methodology.	<p>We will adopt the revised or updated methodology. Then, at the next regulatory determination, we will review this updated methodology. As noted above, we would also review any new data sources.</p> <p>However, if Bloomberg or the RBA backcasts or replaces data using a revised or updated methodology we will not use the backcasted data to re-estimate our estimates of the prevailing return on debt for previous years. This would be impractical and would create regulatory uncertainty over whether the allowed return on debt would at some point in the future be re-opened. Instead, we will continue to use the Bloomberg or RBA data that we downloaded at the time of estimating the prevailing return on debt for that point in time.¹¹</p>
Bloomberg reduces the maximum published BVAL term from 10 years	<p>If Bloomberg still publishes the BVAL curve to 5 or more years, we will extrapolate the BVAL curve from the longest published term using the 5 to 10 year yield margin from the RBA curve.</p> <p>If Bloomberg no longer publishes the BVAL curve to 5 years, we will rely entirely on the RBA curve.</p>
The RBA ceases publication of a	If the RBA ceases publication of a 10 year yield estimate,

¹⁰ ~~Or we determine it is open to us to use the Reuters curve, following a proper assessment and period of consultation on this information.~~

¹¹ ~~For example, for the current decisions we downloaded the RBA monthly data observation for August 2015 shortly after it was published (in September), and incorporated this data point into our prevailing return on debt estimates. After the RBA published its monthly observation for September (in October), we downloaded this data point too. This final data point is only relevant for estimation of AusNet's placeholder averaging period. In doing so, we noticed that it appears the RBA has revised its methodology (though does not appear to have explained this change), and has backcast its monthly observations for the entire data series which starts in January 2005. However, we have not incorporated this backcasted RBA data into our return on debt estimates. Instead, we have continued to use the data we downloaded at the time of estimation. We note that if we had incorporated the backdated RBA data this would have decreased the allowed return on debt for the Queensland, SA and Victorian electricity distributors by between approximately 1-2 basis points. Accordingly, in this instance, our approach of not using the backdated data is in this group of service providers' interests. Our approach will be symmetrical and consistent over time, so we will not use backcast data that results from a change in the RBA or Bloomberg's methodology regardless of whether it is in or against the interests of particular groups of service providers or particular groups of consumers.~~

10 year yield estimate.	we will extrapolate the RBA estimate to 10 years using: <ul style="list-style-type: none"> • if available, the margin between spreads in the Bloomberg curve,¹² from the RBA's longest published target term to 10 years • otherwise, the actual CGS margin from the RBA's longest published estimate to 10 years, plus the average DRP spread for the same term margin over the last month prior to the end of its publication.
The RBA commences publication of daily estimates.	We will cease interpolating the RBA monthly yields. Instead, we will estimate both the RBA yield and the RBA year extrapolation margin (used with the BVAL curve) using these daily estimates.
Either Bloomberg or the RBA publishes a BBB+ or utilities specific yield curve.	We will adopt the BBB+ or utilities curve in place of the provider's existing curve, on the basis that it is a closer fit to our benchmark efficient entity.

Averaging periods

6.97.2 The averaging periods specified in ~~confidential appendix L of attachment 3 of~~ the AER's Final Decision must be used for the purposes of calculating the annual return on debt observation for each Financial Year of this Access Arrangement Period.

Notification ~~and AER determination by the Relevant Regulator~~ of the annual return on debt observation ~~and updated X factor~~

7.3 ~~For each Financial Year of this Access Arrangement Period, the Relevant Regulator will :~~

(a) In the 'PTRM input' sheet of ~~ActewAGL~~the Service Provider's ~~final decision~~ PTRM, update the relevant cell to reflect the updated return on debt estimate (kd_t). ~~This is:~~

~~(b) $Kd_{2016-17}$ Cell H222~~

~~(c) $Kd_{2017-18}$ Cell I222~~

~~(d) $Kd_{2018-19}$ Cell J222~~

~~(e) $Kd_{2018-19}$ Cell K222~~

~~(f) $Kd_{2020-21}$ Cell L222.~~

~~(g)~~(b) ~~On~~In the 'X factors' sheet of the ~~final decision~~ PTRM, update the relevant X factor ~~as follows:~~

~~(h) $Kd_{2016-17}$ 'Set X2 (price cap)'~~

¹² ~~Specifically, the spread to CGS.~~

(i) ~~Kd₂₀₁₇₋₁₈~~ ‘Set X3 (price cap)’

(j) ~~Kd₂₀₁₈₋₁₉~~ ‘Set X4 (price cap)’

(k) ~~Kd₂₀₁₈₋₁₉~~ ‘Set X5 (price cap)’

(l) ~~Kd₂₀₂₀₋₂₁~~ ‘Set X6 (price cap)’

6.107.4 The ~~AER~~ Relevant Regulator will notify ~~AetowAGL~~ the Service Provider of the updated ~~R~~ return on debt and X factor within 15 ~~b~~ Business d ~~Days~~ after the end of AetowAGL the Service Provider’s averaging period and, in doing so, provide the Service Provider with an updated PTRM.

7.8. Initial Reference Tariffs and Variations to Reference Tariffs Variation Mechanism

Varying Initial Reference Tariffs within this Access Arrangement Period

7.18.1 The Initial Reference Tariffs for the Reference Service are set out in the Reference Tariff Schedule (Schedule 3). These will apply ~~on and~~ from the Commencement Date, until varied in accordance with this section 8.

7.28.2 ~~ActewAGL~~The Service Provider may vary Reference Tariffs at any time during this Access Arrangement Period with the approval of the Relevant Regulator in accordance with this section 8. Such variations may be effected through, without limitation:

- (a) Reference Tariff components, elements or variables comprised within any Reference Tariff;
- (b) the introduction of a new Tariff Class and/or Tariff Category;
- (c) the withdrawal (with or without grandfathering for existing customers) of any Tariff Class and/or Tariff Category; or
- (d) any combination of these changes.

Annual Reference Tariff variation mechanism: ~~Haulage Reference Tariffs~~

7.38.3 Where ~~ActewAGL~~the Service Provider proposes to vary Reference Tariffs to apply from the start of the next Financial Year, the mechanisms set out below in clause 8.4 will apply.

7.48.4 ~~ActewAGL~~The Service Provider may propose to vary Reference Tariffs (including any component of those Reference Tariffs) subject to compliance with:

- (a) the following tariff basket price control formula:

$$(1 + CPI_t)(1 - X_t)(1 + A_t)(1 + PT_t) \geq \frac{\sum_{i=1}^n \sum_{j=1}^m p_t^{ij} q_{t-2}^{ij}}{\sum_{i=1}^n \sum_{j=1}^m p_{t-1}^{ij} q_{t-2}^{ij}}$$

where ~~ActewAGL~~the Service Provider has n Reference Tariffs and each Reference Tariff has up to m tariff components; and

- (b) the following side constraint formula applying to each Tariff Class:

$$(1 + CPI_t)(1 - X_t)(1 + A_t)(1 + PT_t)(1 + 0.02) \geq \frac{\sum_{i=1}^n \sum_{j=1}^m p_t^{ij} q_{t-2}^{ij}}{\sum_{i=1}^n \sum_{j=1}^m p_{t-1}^{ij} q_{t-2}^{ij}}$$

where ~~ActewAGL~~the Service Provider has n Reference Tariffs within each Tariff Class and each of those Reference Tariffs has up to m tariff components,

and where for the purposes of each of the formulae above:

- t is the Financial Year for which the Tariffs are being set;
- p_t^{ij} is the proposed Tariff for component j of Reference Tariff i in Financial Year t , i.e. the new Tariff to apply from the commencement of Financial Year t ;
- p_{t-1}^{ij} is the Tariff for component j of Reference Tariff i that is being charged in Financial Year $t-1$ at the time the Variation Notice is submitted to the Relevant Regulator for assessment or, for the purposes of scaling by the Relevant Regulator in accordance with clause 8.26, at the time that scaling process commences;
- q_{t-2}^{ij} is the audited quantity of component j of Reference Tariff i that was sold in Financial Year $t-2$;
- CPI_t is the annual percentage change in the Australian Bureau of Statistics (ABS) CPI All Groups, Weighted Average of Eight Capital Cities from the December quarter in year $t-2$ to the December quarter in year $t-1$, calculated using the following method:
- The ABS CPI All Groups, Weighted Average of Eight Capital Cities for the December quarter in financial year $t-1$
- divided by
- The ABS CPI All Groups, Weighted Average of Eight Capital Cities for the December quarter in financial year $t-2$
- minus one.
- If the ABS does not, or ceases to, publish the index, then CPI will mean an inflation index or measure agreed between which the Relevant Regulator and the Service Provider considers is the best available alternative index.
- X_t means the X factor for Financial Year t , determined in accordance with the PTRM, updated for the return on debt in accordance with section 7 clauses 6.25 to 6.28;
- A_t is the automatic adjustment factor for Financial Year t calculated in accordance with section 1 of Schedule 4; and
- PT_t is the cost pass through factor for Financial Year t calculated in accordance with clause 2.5 of Schedule 4.

Intra-year Reference Tariff variation mechanism

7.58.5 [Omitted]—The Service Provider can propose to vary Reference Tariffs during a Financial Year to apply at a date prior to the start of the next Financial Year, including for the purposes of passing-through an amount relating to a Cost Pass Through Event, as long as the Service Provider complies with the tariff basket price control formula set out in clause 8.4, and

making such adjustments as necessary to vary the Reference Tariffs for the remainder of the Financial Year.

Cost Pass Through Events

7.68.6 For the purposes of this Access Arrangement, a "Cost Pass Through Event" means an event that is any one or more of the following:

- (a) a Regulatory Change Event;
- (b) a Service Standard Event;
- ~~(e) [omitted]~~
- ~~(d)~~(c) an Insurance Cap Event;
- ~~(e)~~(d) an Insurer Credit Risk Event;
- ~~(f)~~(e) a Terrorism Event; and/or
- ~~(g)~~(f) a Natural Disaster Event; and/or;
- ~~(h) a Network User Failure Event.~~

Application process for seeking a Cost Pass Through

7.78.7 If, as a result of a Cost Pass Through Event, there is an Administrative Cost Impact on ~~ActewAGL~~the Service Provider:

- (a) if it wishes to do so, ~~ActewAGL~~the Service Provider may seek the approval of the Relevant Regulator to pass through any associated Changes in Costs; and
- (b) the Relevant Regulator may require ~~ActewAGL~~the Service Provider to pass through any associated Changes in Costs.

7.88.8 If a Cost Pass Through Event occurs which will or is likely to have an Administrative Cost Impact ~~occurs, or is likely to occur~~, ~~ActewAGL~~the Service Provider must notify the Relevant Regulator within 90 Business Days of the later of the date on which it ~~becoming~~ becomes aware of ~~that the~~ occurrence of the Cost Pass Through Event, ~~or likelihood~~ and the date on which it becomes aware that the Cost Pass Through Event will or is likely to have an Administrative Cost Impact, by providing a written statement specifying the details of the Cost Pass Through Event and the date on which it occurred ~~or is likely to occur~~. For the avoidance of doubt, notification under this clause 8.8 is not an application to vary the Reference Tariffs.

7.98.9 Where the Changes in Cost associated with the Cost Pass Through Event ~~is~~are known (or able to be estimated to a reasonable extent), then the Change in Cost for each relevant Financial Year shall be notified to the Relevant Regulator together with the notification specified in clause 8.8.

7.108.10 Where the Changes in Cost associated with the Cost Pass Through Event ~~is~~are not known in whole or in part (or not able to be estimated to a reasonable extent) such that the Change in Cost for each relevant Financial Year cannot be included in the notification pursuant to clause 8.9, ~~ActewAGL~~the Service Provider must provide a supplementary notice

to the Relevant Regulator setting out the Change in Cost for each relevant Financial Year, as soon as practicable after the Changes in Cost ~~is~~ are known or can be estimated to a reasonable extent.

7.118.11 Within 40 Business Days of ~~AetewAGL~~ the Service Provider notifying the Relevant Regulator of the Changes in Cost associated with a Cost Pass Through Event (pursuant to either clause 8.9 or 8.10, as relevant), the Relevant Regulator must notify ~~AetewAGL~~ the Service Provider of its determination as to whether it considers a Cost Pass Through Event has occurred which has an Administrative Cost Impact. If the Relevant Regulator considers that a Cost Pass Through Event has occurred which has an Administrative Cost Impact, the Relevant Regulator's determination must set out the amount that it has determined should be passed through in Reference Tariffs in respect of that Cost Pass Through Event (**Determined Pass Through Amount**).

7.128.12 In making a determination pursuant to clause 8.11, the Relevant Regulator must take into account:

- (a) the matters and proposals set out in any statement given to the Relevant Regulator by ~~AetewAGL~~ the Service Provider under clauses 8.8 to 8.10;
- (b) the Changes in Costs associated with the Cost Pass Through Event, as given to the Relevant Regulator by ~~AetewAGL~~ the Service Provider pursuant to clauses 8.9 or 8.10 as relevant;
- (c) the efficiency of ~~AetewAGL~~ the Service Provider's decisions and actions in relation to the risk of the Cost Pass Through Event, including whether ~~AetewAGL~~ the Service Provider has:
 - (i) failed to take any action that could reasonably have been taken ~~in~~ that would have prevented or substantially mitigated the Changes in Cost associated with that Cost Pass Through Event; or
 - (ii) taken or omitted to take any action in response to the event, where such action or omission has materially increased the magnitude of the Changes in Cost in respect of the Cost Pass Through Event;
- (d) the time cost of money based on the WACC for ~~AetewAGL~~ the Service Provider;
- (e) the need to ensure that ~~AetewAGL~~ the Service Provider only recovers any actual or likely Changes in Costs to the extent that such increment is solely as a consequence of a Cost Pass Through Event;
- (f) whether the Changes in Costs associated with the Cost Pass Through Event have already been factored into the calculation of ~~AetewAGL~~ the Service Provider's Total Revenue, including in the calculation of the automatic adjustment factor; and
- (g) any other factors the Relevant Regulator considers relevant and consistent with the National Gas Law and National Gas Rules.

7.138.13 The period set out in clause 8.11 for making a determination pursuant to that clause may be extended by the Relevant Regulator, up to an absolute maximum of 90 Business Days:

- (a) by the time taken by the Relevant Regulator to obtain information from ~~ActewAGL~~ the Service Provider, obtain expert advice or consult about the notification in order to make a determination; and/or
- (b) if the Relevant Regulator is satisfied that the making of a determination involves issues of such complexity or difficulty that the time limit should be extended and it has given written notice to ~~ActewAGL~~ the Service Provider of that extension not later than 10 Business Days before the expiry of the period set out in clause 8.11 as previously extended under this clause 8.13.

7.148.14 If the Relevant Regulator does not make a determination within the time limit fixed by clause 8.11 (if relevant, as extended by clause 8.13) then:

- (a) in the case of a Cost Pass Through Event which results in an increase in costs, the Relevant Regulator is taken to have determined that the amount to be passed through is the ~~amount set out in ActewAGL's notification~~ sum of the Changes in Cost associated with the Cost Pass Through Event, as given to the Relevant Regulator by the Service Provider pursuant to clauses 8.9 or 8.10 as relevant; and
- (b) in the case of a Cost Pass Through Event which results in a decrease in costs, the Relevant Regulator is taken to have determined that the amount to be passed through is zero.

7.158.15 Following the Relevant Regulator's determination pursuant to clause 8.11 or clause 8.14, ~~ActewAGL~~ the Service Provider may, in the case of an event which increases costs and must, in the case of an event that decreases costs, include some or all of that amount in any Variation Notice.

Inter-period treatment of Cost Pass Through Events and automatic adjustment factor costs

7.168.16 Where a cost pass through event (as that term is defined in the 2016-21 Access Arrangement ~~in force immediately before this Access Arrangement~~) occurs during the 2016 Period and the increase or decrease in costs associated with the event is not passed through in Reference Tariffs in the 2016 Period and is not included as part of the Total Revenue in the AER's Final ~~Decision of the Relevant Regulator for, or its recovery provided for by any automatic adjustment factor to apply in, the 2016~~ Access Arrangement Period:

- (a) where the Relevant Regulator has made a decision as to the amount that should be passed through as a consequence of the event prior to the end of the 2016 Period, ~~ActewAGL~~ the Service Provider may, in the case of an event which increases costs, and must, in the case of an event which decreases costs, include some or all of that amount in any Variation Notice submitted in the 2021~~6~~ Access Arrangement Period;
- (b) where the timing of the event was such that it was notified to the Relevant Regulator but the Relevant Regulator had not made a decision on the amount that should be passed through as a consequence of the event before the end of the 2016 Period, the Relevant Regulator must make a decision pursuant to the 2016-21 Access Arrangement ~~in force immediately before this Access Arrangement~~ on the amount that should be passed through in respect of that event in the 2021~~6~~ Access Arrangement Period. Following the Relevant Regulator's decision (pursuant to the 2016-21 Access Arrangement ~~in force immediately before this Access Arrangement~~), ~~ActewAGL~~ the Service Provider may, in the case of an

event which increases costs, and must, in the case of an event which decreases costs, include some or all of that amount in any Variation Notice submitted in the ~~2021+6~~ Access Arrangement Period; and

- (c) where the timing of the event was such that it was not notified to the Relevant Regulator in the ~~2016+0~~ Period, ~~AetewAGL~~the Service Provider may, in the case of an event which increases costs, and must, in the case of an event which decreases costs, notify the Relevant Regulator of the event and make an application to pass through the increase or decrease in costs associated with that event during the ~~2021+6~~ Access Arrangement Period. The notification by ~~AetewAGL~~the Service Provider and the Relevant Regulator's decision ~~is-are~~ to be made in accordance with the procedure set out in the ~~2016-21~~ Access Arrangement ~~in force immediately before this Access Arrangement~~, but applying the relevant thresholds for an administrative cost impact in this Access Arrangement. Following the Relevant Regulator's decision on the amount that should be passed through in respect of the event, ~~AetewAGL~~the Service Provider may, in the case of an event which increases costs, and must, in the case of an event which decreases costs, include some or all of that amount in any Variation Notice submitted in the ~~2021+6~~ Access Arrangement Period.

7.178.17 Where a Cost Pass Through Event occurs in the ~~2021+6~~ Access Arrangement Period and the increase or decrease in costs associated with the Event is not passed through in Reference Tariffs in the ~~2021+6~~ Access Arrangement Period and is not included as part of the Total Revenue in the decision of the Relevant Regulator for, or its recovery provided for by any automatic adjustment factor to apply in, the ~~2026+~~ Access Arrangement Period:

- (a) where the Relevant Regulator has made a decision as to the amount that should be passed through as a consequence of the Cost Pass Through Event prior to the end of the ~~2021+6~~ Access Arrangement Period, ~~AetewAGL~~the Service Provider may, in the case of an Event which increases costs, and must, in the case of an Event which decreases costs, include some or all of that amount in any ~~V~~variation ~~N~~notice submitted in the ~~2026+~~ Access Arrangement Period;
- (b) where the timing of the Cost Pass Through Event was such that it was notified to the Relevant Regulator but the Relevant Regulator had not made a decision on the amount that should be passed through as a consequence of the Cost Pass Through Event before the end of the ~~2021+6~~ Access Arrangement Period, the Relevant Regulator must make a decision pursuant to this Access Arrangement on the amount that should be passed through in respect of that Event in the ~~2026+~~ Access Arrangement Period. Following the Relevant Regulator's decision (pursuant to this Access Arrangement), ~~AetewAGL~~the Service Provider may, in the case of an Event which increases costs, and must, in the case of an Event which decreases costs, include some or all of that amount in any ~~V~~variation ~~N~~notice submitted in the ~~2026+~~ Access Arrangement Period; and
- (c) where the timing of the Cost Pass Through Event was such that it was not notified to the Relevant Regulator in the ~~2016-2021~~ Access Arrangement Period, ~~AetewAGL~~the Service Provider may, in the case of an Event which increases costs, and must, in the case of an Event which decreases costs, notify the Relevant Regulator of the Event and make an application to pass through the increase or decrease in costs associated with that Event during the ~~2026+~~ Access Arrangement Period. The notification by ~~AetewAGL~~the Service Provider and the Relevant Regulator's decision ~~is-are~~ to be made in accordance with the procedure

set out in this Access Arrangement, but applying the relevant thresholds for an administrative cost impact in the access arrangement that applies for the 2026~~4~~ Access Arrangement Period. Following the Relevant Regulator's decision, ~~AetewAGL~~the Service Provider may, in the case of an Event which increases costs, and must, in the case of an Event which decreases costs, include some or all of that amount in any ~~V~~variation ~~N~~notice submitted in the 2026~~4~~ Access Arrangement Period.

8.18 Costs incurred in the immediately prior Access Arrangement Period but which are not passed through in Reference Tariffs in the immediately prior Access Arrangement Period may, in accordance with Schedule 4, be included in the calculation of the automatic adjustment factor applicable in the subsequent Access Arrangement Period.

Annual Variation Notice

~~7.188.19~~ If ~~AetewAGL~~the Service Provider proposes to vary one or more Reference Tariffs to apply from the start of the next Financial Year, ~~AetewAGL~~the Service Provider will submit a Variation Notice to the Relevant Regulator on or before the 15 March, or next closest Business Day, prior to the commencement of the next Financial Year that:

- (a) includes a proposed revised Reference Tariff Schedule;
- (b) states the effective date of the proposed variation;
- (c) demonstrates and explains how the proposal complies with the annual Reference Tariff variation mechanism specified in clause 8.4;
- (d) includes a statement to support the ~~g~~Gas quantity inputs in the annual Reference Tariff variation mechanism. The statement will be independently audited and the ~~g~~Gas quantity input must reflect the most recent actual Financial Year quantity available at the time of submitting the Variation Notice; ~~and~~
- ~~(e)~~ sets out any Determined Pass Through Amount ~~AetewAGL~~the Service Provider proposes to pass through in whole or in part from the commencement of the next Financial Year; ~~and~~
- ~~(e)~~(f) sets out any pass through amounts arising from cost pass through events (as that term is defined in the 2016-21 Access Arrangement) occurring in the 2016 Period that the Service Provider is proposing to pass through in whole or in part from the commencement of the next Financial Year.

Intra-year Variation Notice

8.20 ~~{Omitted}~~—If the Service Provider proposes in any Financial Year to vary one or more Reference Tariffs to apply at a date prior to the start of the next Financial Year, the Service Provider will submit a Variation Notice to the Relevant Regulator, at least 50 Business Days prior to the date upon which it intends the varied Reference Tariffs to come into effect, that:

- (a) includes a proposed revised Reference Tariff Schedule;
- (b) states the effective date of the proposed variation;
- (c) demonstrates and explains how the proposal complies with the intra-year Reference Tariff variation mechanism specified in clause 8.5;

- (d) includes a statement to support the Gas quantity inputs in the annual Reference Tariff variation mechanism. The statement will be independently audited and the Gas quantity input must reflect the most recent actual quantity available at the time of submitting the Variation Notice;
- (e) sets out any Determined Pass Through Amount the Service Provider proposes to pass through in whole or in part; and
- (f) sets out any pass through amounts arising from cost pass through events (as that term is defined in the 2016-21 Access Arrangement) occurring in the 2016 Period that the Service Provider is proposing to pass through in whole or in part.

Variation Notice assessment

7.198.21 Within 30 Business Days of receiving AetewAGLthe Service Provider's Variation Notice, the Relevant Regulator will inform AetewAGLthe Service Provider in writing of whether or not it has approved the proposed variation(s) to Reference Tariffs in AetewAGLthe Service Provider's Variation Notice as compliant with the relevant Reference Tariff variation mechanism(s).

7.208.22 The Relevant Regulator must approve the proposed variation(s) to Reference Tariffs if they are compliant with the relevant Reference Tariff variation mechanism(s).

7.218.23 The 30 Business Day period may be extended (by giving written notice to AetewAGLthe Service Provider) to account for the time taken by the Relevant Regulator to obtain further information from AetewAGLthe Service Provider about the Variation Notice, obtain expert advice or to consult about the Variation Notice. There is an absolute time limit of 50 Business Days for the Relevant Regulator to complete the assessment of a Variation Notice.

7.228.24 If the Relevant Regulator fails to provide AetewAGLthe Service Provider with written notification of its decision within 50 Business Days of receiving AetewAGLthe Service Provider's Variation Notice, the Relevant Regulator will be deemed to have approved the variation proposed in the Variation Notice.

7.238.25 If the Relevant Regulator declines to approve any part of the proposal in the Variation Notice, the Relevant Regulator must provide AetewAGLthe Service Provider with a written statement of reasons for that decision at the time it informs AetewAGLthe Service Provider of its decision.

7.248.26 In the event that:

- (a) AetewAGLthe Service Provider does not submit proposed Reference Tariffs to apply from the start of the next Financial Year t in accordance with the procedure set out in clause 8.19; or
- (b) the Relevant Regulator decides that any part of the proposal in an annual Variation Notice is not compliant with the relevant Reference Tariff variation mechanism for a new Financial Year t ,

the Relevant Regulator will determine the Reference Tariffs for the Financial Year t that are compliant with the annual Reference Tariff variation mechanism by scaling all Reference Tariffs for Financial Year $t-1$, in the case of clause 8.26(a) above, or in the case of clause 8.26(b) those Reference Tariffs applicable in Financial Year $t-1$ in respect of which the

Relevant Regulator has disallowed ~~ActewAGL~~the Service Provider's proposed variations for Financial Year t through application of the following formula:

$$(1 + CPI_t)(1 - X_t)(1 + A_t)(1 + PT_t)$$

where CPI_t , X_t , A_t and PT_t are as defined in clause 8.4.

~~7.25~~—[Omitted]

~~7.26~~—[Omitted]

~~7.27~~—[Omitted]

Revised Reference Tariff Schedule

~~7.28~~8.27 Where Reference Tariffs are varied in accordance with this ~~clause-section~~ 8, ~~ActewAGL~~the Service Provider will publish a revised Reference Tariff Schedule on ~~ActewAGL~~the Service Provider's website (which will replace the previously published version).

~~7.29~~8.28 The revised Reference Tariff Schedule, including the changed Reference Tariffs, will take effect from the date specified in that revised Reference Tariff Schedule.

Other relevant matters

~~7.30~~8.29 Where a clerical mistake, an accidental slip or omission, or a miscalculation, has been identified in the determination of Reference Tariffs to apply in Financial Year $t-1$ in accordance with this clause 8, that mistake, slip, omission or miscalculation may be corrected in determining the Reference Tariff for Financial Year t in accordance with this ~~clause-section~~ 8.

~~7.31~~8.30 For the avoidance of doubt:

- (a) to the extent the calculation of a Reference Tariff or component, element or variable of a Reference Tariff is based on a forecast or estimate, the fact that the actual amount of the parameter being forecast or estimated is different to the forecast or estimated amount does not constitute a mistake, slip, omission or miscalculation for the purposes of clause 8.29;
- (b) to the extent ~~ActewAGL~~the Service Provider may have over or under recovered revenue as a consequence of a mistake, slip, omission or miscalculation being made in relation to the setting of a tariff that has been approved by the Relevant Regulator, no adjustment may be made to the Reference Tariffs or component, element or variable of a Reference Tariff under clause 8.29 to reflect any over or under recovery amount; and
- (c) ~~ActewAGL~~The Service Provider may submit in a Variation Notice, a correction for past clerical mistakes, accidental slips or omissions or miscalculations. The Relevant Regulator may also make ~~ActewAGL~~the Service Provider aware that a past clerical mistake, accidental slip or omission or miscalculation has occurred and require all future tariff variation notifications to take account of that past clerical mistake, accidental slip or omission or miscalculation. ~~ActewAGL~~The Service Provider may consult with the Relevant Regulator on past clerical mistakes, accidental slips or omissions or miscalculations.

8.9. Tariff Categories for Reference Services

Application

9.1 This section applies to all Delivery Points that receive the Reference Service.

Tariff Category Assignment

8.19.2 ActewAGLThe Service Provider will assign each Delivery Point that receives a **Haulage** Reference Service with a Tariff Category in accordance with the ~~€Tariff aAssignment eCriteria set out in the Reference Tariff Schedule~~. The Initial Tariff Categories are set out in the Reference Tariff Schedule.

8.29.3 The assigned Tariff Category will determine which Reference Tariffs are payable ~~by a User or to be paid by a Prospective User for receipt of a Haulage Reference Service at in respect of~~ a specific Delivery Point, ~~in accordance with the Reference Tariff Schedule~~.

8.39.4 Where a Delivery Point is eligible for more than one Tariff Category in accordance with the ~~€Tariff aAssignment eCriteria set out in the Reference Tariff Schedule~~, the User or Prospective User may nominate in its Request ~~for Service~~ the Tariff Category to which it wants ~~its the~~ Delivery Point assigned. A completed Request must be submitted to ActewAGLthe Service Provider at least 2 months' prior to the date in which the nominated Tariff Category is proposed to apply. ActewAGLThe Service Provider will advise the User or Prospective User (as the case may be) whether the Delivery Point is eligible for the nominated Tariff Category within 2 months of receipt of a completed Request. If the Delivery Point is eligible for the nominated Tariff Category, the nominated Tariff Category will apply from the commencement of the month following the date of ActewAGLthe Service Provider's confirmation of its eligibility. ActewAGLThe Service Provider may refuse ~~such~~ a nomination by a User or Prospective User if it does not consider the Delivery Point to be eligible for the nominated Tariff Category.

8.49.5 On request, a User or Prospective User must provide ActewAGL the Service Provider with sufficient information to enable ActewAGLthe Service Provider to apply the ~~€Tariff aAssignment eCriteria set out in the Reference Tariff Schedule~~ and assign each Delivery Point ~~that receives a Haulage Reference Service~~ with a Tariff Category.

Tariff Category Re-assignment

8.59.6 ActewAGLThe Service Provider may re-assign a Delivery Point to ~~one or more a~~ different Tariff Category~~ies~~ in accordance with the ~~€Tariff aAssignment eCriteria set out in the Reference Tariff Schedule~~ at any time where:

- (a) the Delivery Point has previously been wrongly assigned to a Tariff Category;
- (b) the Delivery Point no longer qualifies for the assigned Tariff Category; or
- (c) the assigned Tariff Category has been withdrawn.

8.69.7 A User may nominate in its Request ~~for Service~~ the Tariff Category it wants ~~its a~~ Delivery Point re-assigned:

- (a) at any time if it can demonstrate to ~~the ActewAGLEvoenergyService Provider~~'s reasonable satisfaction that there has been a change in ~~the~~ Energy requirements of ~~the Customer or End Consumer~~~~an end customer(s) who is supplied with, and consumes, Energy~~ at the premises served by the Delivery Point, in which case re-assignment may be requested based on that change; and
- (b) for any other reason, but not more than once a Year in respect of the same Delivery Point.

~~8.79.8 ActewAGL~~The Service Provider will determine a User's Request for re-assignment of a Delivery Point in accordance with the ~~€Tariff a~~Assignment ~~eCriteria~~~~set out in the Reference Tariff Schedule~~. ~~ActewAGL~~The Service Provider will inform the User of its decision in respect of the Request for re-assignment within 2 months of the receipt of the User's completed Request. If ~~ActewAGL~~the Service Provider decides to re-assign a Delivery Point, the re-assignment will apply from the commencement of the month following the date of ~~ActewAGL~~the Service Provider's decision. If ~~ActewAGL~~the Service Provider ~~decides not to agree to the Request to re-assign a Delivery Point or decides to re-assign a Delivery Point to a Tariff Category other than that proposed by the User~~, ~~ActewAGL~~the Service Provider must ~~inform~~provide the User ~~with of its~~/reasons for the decision.

9.10. Extensions/ and Expansions pPolicy

Expansions policy

10.1 This Access Arrangement will apply to incremental services to be provided as a result of any expansion of the capacity of the Network made during the Access Arrangement Period.

Extensions policy

10.2 This Access Arrangement will apply to incremental services to be provided as a result of any extension of the Network made during the Access Arrangement Period, except for high pressure pipeline extensions which are determined by the Relevant Regulator not to form part of the Network in accordance with this section 10.

Method for determining if the Access Arrangement is to apply to high pressure pipeline Extensions of the high pressure network

10.3 The method below shall be used to determine whether a high pressure pipeline extension should be taken to form part of the Network.

- (a) Subject to clause 10.3(d), if AetewAGL the Service Provider proposes a high pressure pipeline extension during the Access Arrangement Period, it must apply advise to the Relevant Regulator to decide whether the Access Arrangement will apply to incremental services to be provided by the high pressure pipeline extension. The application must include the information required by in accordance with clause 10.3(c)(c) of this Access Arrangement.
- (b) For the purposes of this section 10, a "high pressure pipeline extension" ~~is means~~ an extension to ~~AetewAGL's Covered Pipeline~~ the Network where that extension ~~has with~~ a direct connection to a transmission pipeline ~~that and~~ which is designed ~~to provides~~ reticulated ~~gGas~~ either to a new development or an existing development not serviced with reticulated ~~gGas~~.
- (c) The A notification given by AetewAGL Service Provider must apply to the Relevant Regulator under clause 10.3(a) before the proposed high pressure pipeline extension comes into service under clause 9.1 must:
- (i) ~~be~~ in writing;
 - (ii) statinge whether ~~AetewAGL the Service Provider~~ intends for the ~~proposed extension to be covered by the~~ Access Arrangement to apply to incremental services to be provided as a result of the proposed new high pressure pipeline extension; and
 - (iii) describinge the high pressure pipeline extension and ~~describe setting out~~ why ~~the extensionit~~ is being undertaken; ~~and,~~
 - (iv) ~~be given to the Relevant Regulator before the proposed high pressure pipeline extension comes into service.~~

- (d) ~~ActewAGL~~The Service Provider is not required to advise the Relevant Regulator under clause ~~9.1~~10.3(a) ~~to the extent that~~if the cost of the high pressure pipeline extension has already been included ~~and approved by the Relevant Regulator~~ in the calculation of Reference Tariffs, in which case the Access Arrangement applies to the incremental services to be provided by the high pressure pipeline extension.
- (e) ~~After considering the Service Provider's application~~a notification under clause 9.1, and undertaking such consultation as the Relevant Regulator considered ~~sed necessary appropriate~~, the Relevant Regulator ~~must notify will~~inform ActewAGL~~the Service Provider~~ of its decision on ~~ActewAGL~~the Service Provider's proposed coverage approach for the high pressure pipeline extension.
- (f) ~~The Relevant Regulator's decision~~ referred to in clause 10.3(e) ~~may be made on such reasonable conditions as determined by the Relevant Regulator and will have the effect stated in the decision.~~
- ~~(e)~~(g) If the Relevant Regulator determines that the high pressure pipeline extension is to form part of the Network, this Access Arrangement will apply to incremental services to be provided by the high pressure pipeline extension.

Other extensions and expansions

- 9.2 ~~Subject to clause 9.6, extensions to and expansions of the capacity of the Network carried out by ActewAGL which are not high pressure pipeline extensions for the purposes of clause 9.1 will be covered by this Access Arrangement.~~
- 9.3 ~~Subject to clause 9.7, ActewAGL may notify the Relevant Regulator that an extension to or expansion of the capacity of the Network referred to in clause 9.5 will not be covered by this Access Arrangement. Notification under this clause 9.6 must be in writing and given to the Relevant Regulator before the extension or expansion comes into effect.~~
- 9.4 ~~ActewAGL may not notify the Relevant Regulator under clause 9.6 to the extent that the cost of the extension or expansion has already been included in the calculation of Reference Tariffs.~~

Treatment of covered pipelinesEffect on Reference Tariffs

- 9.510.4 ~~The Service Provider~~If an extension or expansion is treated as a Covered Pipeline, ActewAGL will offer the Reference Services in respect of any for that extensions or expansions to which this Access Arrangement applies at the Reference Tariffs ~~(ie no change to the Reference Tariffs).~~

10.11. Capacity Trading policy

Transfer of Contracted Capacity for a ~~Haulage~~ Reference Service

~~10.11.1~~ Where the Reference Service Agreement provides a User with contracted capacity, the User may transfer all or any of its Contracted Capacity for a ~~Haulage~~ the Reference Service to another User in accordance with the provisions of the Reference Service Agreement to the extent those provisions are consistent with the capacity trading requirements in the National Gas Rules and applicable market procedures governing transfers of capacity.

Transfer of Contracted Capacity for a ~~Pipeline Non-Reference Service other than a Haulage Reference Service~~

~~10.211.2~~ Where a Service Agreement for a Non-Reference Service provides a User with contracted capacity, the A User may transfer all or any of its Contracted Capacity for a ~~the Non-Pipeline Service other than a Haulage~~ Reference Service to another User in accordance with the provisions of its Service Agreement to the extent those provisions are consistent with the capacity trading requirements in the National Gas Rules and applicable market procedures governing transfers of capacity.

11.12. Changing Receipt and Delivery Points

Change of Receipt Point or Delivery Point for a ~~Haulage~~the Reference Service

~~11.12.1~~ A User may, with ~~ActewAGL~~the Service Provider's consent, change the User's Receipt Point or Delivery Point for the delivery of a ~~Haulage~~-Reference Service in accordance with the provisions of the Reference Service Agreement.

Change of Receipt Point or Delivery Point for a ~~Pipeline Service other than a Haulage~~Non-Reference Service

~~11.2~~12.2 A User may, with ~~ActewAGL~~the Service Provider's consent, change the User's Receipt Point or Delivery Point for the delivery of a ~~Pipeline Service other than a Haulage~~Non-Reference Service in accordance with the provisions of its Service Agreement to the extent those provisions are consistent with the provisions governing the change of Receipt and Delivery Points by Users in the National Gas Rules.

ActewAGLThe Service Provider's consent

~~11.3~~12.3 ~~ActewAGL~~The Service Provider must not withhold its consent under clauses ~~12.1~~ or ~~12.2~~, as relevant, unless it has reasonable grounds, based on technical or commercial considerations, for doing so.

12.13. Queuing Policy

Forming a queue

This Access Arrangement does not need to include queuing requirements unless, in accordance with rule 103(1)(b) of the National Gas Rules, the Relevant Regulator has notified the Service Provider that this Access Arrangement must contain queuing requirements. At the Commencement Date, the AER has not notified the Service Provider of the need to include queuing requirements. Where ActewAGL receives a Request from a User or Prospective User, and there is insufficient capacity to satisfy the Request, a queue will be formed.

~~12.1 A queue will include all relevant Requests which cannot be satisfied. When the queue is formed, the following priorities will apply:-~~

- ~~(a) where an offer to provide a Service has been made in response to a Request received prior to formation of the queue, that Request will take first position in the queue;~~
- ~~(b) where a number of offers have been made in response to Requests received prior to the formation of the queue, those Requests will take positions in the queue according to the Priority Date of those Requests on a "first in, first served" basis, and will be ahead of any Requests for which offers have not been made at the time of the formation of the queue;~~
- ~~(c) other Requests made before the formation of the queue will take their positions in the queue according to the Priority Date of those Requests, on a "first in, first served" basis, but subject to clauses 12.11 and 12.12, and behind any Requests described in clauses 12.2(a) and 12.2(b) above; and~~
- ~~(d) subject to clauses 12.11 and 12.12, requests made after the formation of the queue will take their positions in the queue according to the Priority Date of those Requests on a "first in, first served" basis.~~

~~12.2 At the time a Request is placed in a new or existing queue, ActewAGL will advise a User or Prospective User of:~~

- ~~(a) its position in the queue;~~
- ~~(b) the aggregate capacity sought by Requests which are ahead in the queue;~~
- ~~(c) its estimate of when capacity may become available; and~~
- ~~(d) the amount any Surcharge that may apply to Developable Capacity.~~

~~12.3 When the position of a Request changes relative to other Requests which are ahead in the queue (such as where a Request ceases to be in the queue) or where the timing of availability of a new tranche of Developable Capacity changes, ActewAGL will provide revised information to the User or Prospective User.~~

~~12.4 Where a Request is made for a Service to a Delivery Point and ActewAGL is satisfied that the Request is for the same tranche of capacity which is already provided to another User in respect of that Delivery Point, then ActewAGL may make that tranche of capacity available~~

~~in response to the Request to the extent that the existing User is otherwise entitled to maintain or extend that tranche of capacity. That Request does not form part of the queue.~~

Conditions applicable on queue

~~12.5 Following a Prospective User's Request forming, or being added, to a queue:~~

- ~~(a) the Prospective User may, by notice to ActewAGL, reduce but not increase the capacity sought in a Request which is in a queue;~~
- ~~(b) once every three months, ActewAGL may seek confirmation from the Prospective User that it wishes to continue with its Request. If the Prospective User fails to respond within 14 days, the Request will be deemed to have lapsed.~~

~~12.6 A Prospective User must advise ActewAGL if it does not wish to proceed with a Request that is in a queue, which will then lapse.~~

~~12.7 Any lapsed Request will be removed from the queue and priority will be lost.~~

~~12.8 A Prospective User may only assign a Request in a queue to a bona fide purchaser of the Prospective User's business and/or assets, subject to that purchaser being able to demonstrate, if requested by ActewAGL, its ability to meet all financial obligations and demonstrate credit worthiness pursuant to clause 28(e)(ii) of the Reference Service Agreement.~~

~~12.9 If there is a transfer of a controlling interest in the shares of the Prospective User that has a Request in a queue, ActewAGL may request that the transferee of those shares demonstrate its ability to provide security pursuant to clause 28 of the Reference Service Agreement in the event that an offer of capacity is made to the Prospective User. In the event the transferee fails to demonstrate that ability, ActewAGL may deem a Request to have lapsed.~~

Procedure when capacity can be made available

~~12.10 When capacity can be made available which meets in full or in part the requirements of any Request in a queue:~~

- ~~(a) ActewAGL will advise each of those Users and Prospective Users of its plans to make capacity available, the capacity that is available, and the terms and conditions on which the capacity will be available;~~
- ~~(b) the available capacity will be progressively offered to each User and Prospective User in the queue in order of priority (notwithstanding that such capacity may not be sufficient to meet the needs of any such User or Prospective User); and~~
- ~~(c) a Prospective User will have 20 Business Days after an offer of capacity is made to enter into a Service Agreement (conditional, if necessary, on ActewAGL entering into Service Agreements with other Prospective Users), failing which:
 - ~~(i) if the offer of capacity meets in full the requirements of a Request, that Request will lapse and lose priority to those entering into such a Service Agreement (upon that Service Agreement becoming unconditional); or~~
 - ~~(ii) if the offer of capacity meets in part the requirements of the Request, the position of the Request in the queue will be held until capacity~~~~

~~that meets the requirements of the Request in full is available, at which point the Request will be prioritised ahead of others in the queue that were received at a later date.~~

Priority of Prospective Users in obtaining Services

~~12.11 For the purposes of this Access Arrangement:-~~

- ~~(a) The Priority Date of a Request is the date a complete Request is received by ActewAGL.~~
- ~~(b) Where ActewAGL determines that two or more Requests relate to the same tranche of capacity for the same Delivery Point, all those Requests will have the Priority Date of the earliest of those Requests.~~
- ~~(c) A Request for a Service relating to less than 1 TJ of gas per annum will have priority over a Request for a Service relating to more than 1 TJ of gas per annum.~~
- ~~(d) A Request for the Reference Service will have priority over a Request for a Negotiated Service.~~

Compensation for holding capacity

~~12.12 ActewAGL may require the User or Prospective User to pay compensation for ActewAGL agreeing to commence a Service more than 20 Business Days from the execution of a Service Agreement where the commitment of capacity to meet the requirements of the User or Prospective User contributes to:~~

- ~~(a) the continuation of a queue;~~
- ~~(b) the formation of a queue at any time prior to the commencement date for that Service; or~~
- ~~(c) the acceleration of investment by ActewAGL to provide capacity for other Users on the transportation route.~~

General

~~12.13 A Request will not lapse and will retain its priority in a queue in the event of a dispute about that Request being notified, until that dispute has been resolved in accordance with the National Gas Law and National Gas Rules.~~

~~12.14 Where a queue exists, a Prospective User must on request demonstrate to ActewAGL that the Prospective User will have access to a supply of gas at the time it is anticipated by ActewAGL that the Prospective User will be offered access to the Service.~~

~~12.15 When administering a queue (including but not limited to forming a queue, assigning priority within a queue and determining when to or when not to offer capacity in response to a Request), ActewAGL may take into account a connection contract that ActewAGL has entered into, including a connection contract under Part 12A of the National Gas Rules. In that circumstance, the Priority Date of the corresponding Request will be the earlier of the date of the Request and the date on which the connection contract was made.~~

13.14. Liability

~~13.14.1~~ ~~ActewAGL~~The Service Provider is not liable for, and a User or Prospective User will hold ~~ActewAGL~~the Service Provider harmless from and against, any and all Loss in connection with or arising as a result of any request by a User or Prospective User, any delay in giving or failure to give consent by ~~ActewAGL~~the Service Provider or any failure to agree any matter, under or in respect of this Access Arrangement, except to the extent that such Loss was caused by the negligence or wilful default of ~~ActewAGL~~the Service Provider. For avoidance of doubt, this clause does not affect the ability of a User or Prospective User to seek to have a dispute resolved under the dispute resolution procedures in the National Gas Law and the National Gas Rules, unless the parties agree otherwise in writing.

SCHEDULE 1: DEFINITIONS

1.1 In this Access Arrangement:

2016~~0~~ Period means the period commencing 1 July 201~~60~~ and ending on the commencement of this Access Arrangement.

~~**2016-21 Access Arrangement** means the access arrangement setting out terms and conditions for access to the Services provided by the Service Provider that applied to the Network immediately prior to the Commencement Date.~~

2021~~16~~ Access Arrangement Period means the Access Arrangement Period from the Commencement Date (which is expected to be 1 July 2021~~16~~) until the revision commencement date specified in clause 1.9 of this Access Arrangement.

~~**2021 Access Arrangement Period** means the Access Arrangement Period immediately following the 2016 Access Arrangement Period (expected to commence on 1 July 2021).~~

~~**2020-21 Tariff Variation Notice** means the variation notice proposing to vary reference tariffs from the start of Financial Year 2020-21 submitted by the Service Provider under the 2016-21 Access Arrangement and approved by the Relevant Regulator.~~

~~**2022-23 Tariff Variation Notice** means the Variation Notice proposing to vary Reference Tariffs from the start of Financial Year 2022-23 approved by the Relevant Regulator.~~

2026 Access Arrangement Period means the Access Arrangement Period immediately following the 2021 Access Arrangement Period (expected to commence on 1 July 2026).

~~**2031 Access Arrangement Period** means the Access Arrangement Period immediately following the 2026 Access Arrangement Period (expected to commence on 1 July 2031).~~

Access Arrangement means this access arrangement setting out terms and conditions for access to the Reference Service and Non-Reference Services provided by ~~AetewAGL~~the Service Provider ~~for the Access Arrangement Period that is lodged with, and~~ approved by; the Relevant Regulator under the National Gas Rules.

Access Arrangement Information means the information relating to this Access Arrangement and submitted by ~~AetewAGL~~the Service Provider pursuant to Rule 42 of the National Gas Rules, amended to reflect the AER's Final Decision.

Access Arrangement Period has the meaning given to it in Rule 3 of the National Gas Rules and, in respect of a reference to "this Access Arrangement", means the period from the Commencement Date until the revision commencement date specified in clause 1.9 of this Access Arrangement.

~~**AetewAGL** means the owner of the Network from time to time, which at the Commencement Date is AetewAGL Distribution ABN 76 670 568 688 a partnership between Jemena Networks (ACT) Pty Limited ABN 24 008 552 663 and Icon Distribution Investments Limited ABN 83 073 025 224.~~

Administrative Cost Impact means that the Change in Cost (including both incurred and forecast amounts) in any relevant Financial Year, as a result of a Cost Pass Through Event occurring, is equal to or greater than 1 per cent of the smoothed forecast revenue for that Financial Year specified in the ~~Relevant Regulator's final decision~~AER's Final Decision.

AEMC means the Australian Energy Market Commission ~~established by section 5 of the Australian Energy Market Commission Establishment Act 2004 (SA).~~

AEMO means the Australian Energy Market Operator (ACN 072 010 327).

AEMO Fee means any participant fee payable to AEMO.

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

AER's Final Decision means the final decision of the AER with respect to this Access Arrangement under Rule 62 of the National Gas Rules.;

Applicable Law means any legislation, subordinate legislation, licence, code, rules, sub-code, guideline, safety case, order or regulation that applies to ~~ActewAGL~~the Service Provider, the Network, the operation of the Network, and/or provision of services on the Network, whether specific to ~~ActewAGL~~the Service Provider or regulating the gas industry or aspects of the gas industry more generally and includes the *Utilities Act 2000* (ACT), the *Utilities (Technical Regulation) Act 2014* (ACT), the *Gas Safety Act 2000* (ACT), the *National Gas (ACT) Act 2008* (ACT), the *National Gas (New South Wales) Act 2008* (NSW), ~~the Minimum Network Standards~~, the *Gas Supply Act 1996* (NSW), the National Energy Retail Law and National Energy Retail Rules, any other applicable market, industry or technical code, any licence issued under the *Utilities Act 2000* (ACT), the *Utilities (Technical Regulation) Act 2014* (ACT) and the *Gas Supply Act 1996* (NSW).

~~**Averaging Period Notice** means the notice provided to the Relevant Regulator pursuant to clauses 6.10 to 6.13.~~

Base Year means the Financial Year of the 2021~~6~~ Access Arrangement Period used by the Relevant Regulator as the base year for forecasting operating expenditure in the 202~~6~~~~1~~ Access Arrangement Period.

~~**Best Fit Independent Data Source** means an Independent Data Source determined in accordance with clause 6.7.~~

Business Customer means a Customer who is not a Residential Customer.

Business Day has the meaning given to it in the National Gas Law.

Capital Base means the capital value to be attributed, in accordance with Part 9 of the National Gas Rules, to pipeline assets.

~~**Carbon Costs** means the costs incurred in connection with an obligation that is imposed under any Carbon Scheme, including without limitation any charges or fees payable in respect of greenhouse gas emissions, costs of acquiring permits, allowances, credits, or certificates, costs associated with undertaking activities to abate or sequester greenhouse gas emissions and costs associated with reducing liability under any Carbon Scheme.~~

~~**Carbon Cost Factor Amount** has the meaning given to it in clause 2.3 of Schedule 4.~~

Carbon Scheme means any law or regulation of the Commonwealth of Australia or of a State or Territory of Australia, with respect to the production or emission of, or to reduce, limit, cease, prevent, offset, remove or sequester greenhouse gas emissions.

CESS means the capital expenditure incentive mechanism set out in section 4.

Change in Cost in relation to a Cost Pass Through Event means the net decrease or increase in costs (as opposed to the revenue impact) that ~~ActewAGL~~the Service Provider has incurred and is likely to incur in the provision of the Reference Service in any relevant Financial Year as a result of the Cost Pass Through Event.

Claim means any cause of action, liability, claim, proceeding, suit or demand of any nature however arising and whether present or future, fixed or unascertained, actual or contingent whether at law, in equity, under statute or otherwise and which any party may have against the other in connection with this Access Arrangement.

Commencement Date means the date referred to in clause 1.8 of this Access Arrangement.

Contingent Payment Factor is defined in clause 4.8(b).

Continent Payment Index is described in Schedule 9.

Contracted Capacity refers to that part of the capacity of the Network which has been reserved by a User or Users pursuant to a Service Agreement with ~~ActewAGL~~the Service Provider.

Cost Pass Through Event has the meaning given to it in clause 8.6.

Coverage Determination means a determination of a Relevant Minister under Chapter 3 Part 1 Division 1 of the National Gas Law.

~~**Covered Pipeline** has the meaning given to it in the National Gas Law means a pipeline forming part of the Network;~~

~~(a) — to which a Coverage Determination applies; or~~

~~(b) — deemed to be a Covered Pipeline by operation of section 126 and 127 of the National Gas Law.~~

~~**Customer** means~~has the meaning given to it in the Reference Services Agreement.

~~(a) — the person who purchases the gas supplied at a Delivery Point; or~~

~~(b) — a consumer of hot water in a residential unit where hot water is supplied through a centralised gas-fired hot water system and whose Energy consumption is individually metered by ActewAGL to measure gas withdrawn at the relevant Delivery Point.~~

~~**Delivery Point** means a point on the Network from which Gas is or may be withdrawn~~has the meaning given to it in the Reference Service Agreement.

~~**Delivery Station** means facilities at a Delivery Point through which Gas is delivered from the Network~~has the meaning given to it in the Reference Service Agreement.

Determined Pass Through Amount has the meaning set out in clause 8.11.

~~**Developable Capacity** means the difference between the current capacity of a Covered Pipeline and the capacity of a Covered Pipeline which would be available if a new facility~~

~~was constructed, but does not include any new capacity of a Covered Pipeline resulting from an extension to the geographic range of a Covered Pipeline.~~

~~**Downstream Network** means a distribution system or a pipeline not owned and operated by Evoenergy operated by the Service Provider, which receives Gas from the Network for the purpose of use by third parties and, for the avoidance of doubt, does not include embedded networks in shopping centres, apartment buildings or similar.~~

ELMS has the meaning given to it in clause 1.6 of Schedule 7 of this Access Arrangement.

~~**ELMS Data** has the meaning given to it in the Reference Service Agreement.~~

~~**Embedded Network** means a distribution system or a pipeline not owned and operated by ActewAGL, which is connected to and receives gas from the Network for the purpose of use by third parties.~~

~~**Embedded Network Operator** means the licensed owner or operator of an Embedded Network.~~

~~**End Consumer** has the meaning given to it in the Reference Service Agreement.~~

~~**Energy** means energy (or an energy source) in any form and includes natural gas, electricity or thermal energy in any form (for example, steam or hot water, and whether used for heating, cooling or some other purpose) has the meaning given to it in the Reference Service Agreement.~~

Energy Industry Levy means the levy imposed by section 54C of the *Utilities Act 2000* (ACT).

~~**Equivalent Tariff** refers to, in relation to a Service that is not a Reference Service, the Tariff that it is reasonably likely would have been set as the Reference Tariff had the Service been a Reference Service.~~

~~**Evoenergy** means the owner of the Network from time to time, which at the Commencement Date is Icon Distribution Investments Limited (ABN 83 073 025 224) and Jemena Networks (ACT) Pty Ltd (ABN 24 008 552 663) trading as Evoenergy (ABN 76 670 568 688).~~

EWON means the Energy & Water Ombudsman NSW.

Financial Year means the 12-month period ending on 30 June in any year.

~~**Gas** means natural gas.~~

GJ means gigajoule.

GST has the meaning given in the *A New Tax System (Goods and Services) Tax Act 1999* (Cth).

~~**Haulage Reference Service** means the Service described in clause 2.3 and provided by ActewAGL in accordance with the Reference Service Agreement.~~

~~**Haulage Reference Tariff** or **Reference Tariff** means the tariff which relates to a Haulage Reference Service specified in Schedule 3 (the Reference Tariff Schedule) or as amended in accordance with section 7.~~

Hour has the meaning given to it in the Reference Service Agreement.

~~**Independent Data Source** means a data source published by a third party provider that shows yield information for corporate bonds.~~

Initial Reference Tariffs means the Reference Tariffs applying on and from the Commencement Date, until amended in accordance with ~~clause section~~ 8 of this Access Arrangement.

Initial Tariff Categories means the Tariff Categories applying and from the Commencement Date, until amended in accordance with ~~clause section~~ 8 of this Access Arrangement.

Insurance Cap Event means an event where:

- (a) ~~ActewAGL~~The Service Provider makes a claim or claims and receives the benefit of a payment or payments under a relevant insurance policy;
- (b) ~~ActewAGL~~The Service Provider incurs costs beyond the policy limit; and
- (c) the costs beyond the policy limit increase the costs to ~~ActewAGL~~the Service Provider of providing the Reference Service.

For this Insurance Cap Event:

- (d) a relevant insurance policy is an insurance policy held during the Access Arrangement Period or a previous period in which access to the pipeline services was regulated; and
- (e) ~~ActewAGL~~the Service Provider will be deemed to have made a claim on a relevant insurance policy if a claim is made by a related party of ~~ActewAGL~~the Service Provider in relation to any aspect of the Network or ~~ActewAGL~~the Service Provider's business.

Note in making a determination on an Insurance Cap Event, the Relevant Regulator will have regard to, amongst other things:

- (i) the insurance policy for the event;
- (ii) the level of insurance that an efficient and prudent service provider would obtain in respect of the event; and
- (iii) any assessment by the Relevant Regulator of ~~ActewAGL~~the Service Provider's insurance in approving the access arrangement for the relevant period.+

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

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

Note for the avoidance of doubt, in making a determination on an Insurer Credit Risk Event pursuant to clause 8.11 of this Access Arrangement, the ~~AER- Relevant Regulator~~ will have regard to, amongst other things:

- (i) ~~ActewAGL~~ 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
- (ii) in the event that a claim would have been made after the insurance provider became insolvent, whether ~~ActewAGL~~ the Service Provider had reasonable opportunity to insure the risk with a different provider.

Interconnection of Embedded Network Service means the Service described in clause 2.7 and Schedule 6.

~~Interval of Delay has the meaning given to it in rule 92(3) of the National Gas Rules.~~

IPART means the Independent Pricing and Regulatory Tribunal.

Large Customer has the meaning given to it in the National Energy Retail Law.

Load has the meaning set out in the Reference Services Agreement.

~~Load Shedding has the meaning given to it in clause 1.1(a) of Schedule 7 of this Access Arrangement.~~ means the process of reducing or ceasing the withdrawal or taking of Gas from the Network.

Loss includes any Claim, damage, loss, cost, charge, expense or payment, including a payment ordered by a dispute resolution panel constituted under the National Gas Rules.

Maximum Daily Quantity or **MDQ** has the meaning given to it in the Reference Service Agreement.

Maximum Hourly Quantity or **MHQ** has the meaning given to it in the Reference Service Agreement.

Measuring Equipment has the meaning given to it in the Reference Service Agreement.

~~Minimum Network Standards means the Minimum Service Standards under the Utilities (Consumer Protection Code) Determination 2012, or any determination replacing that determination or if that determination is repealed and not replaced, ActewAGL Distribution's Minimum Standards for Network Operation adopted by ActewAGL in compliance with its licence requirements in the Australian Capital Territory and New South Wales, in force from time to time.~~

Minister means the Minister responsible for administering the *National Gas (ACT) Act 2008* (ACT), or the *National Gas (New South Wales) Act 2008* (NSW), as the case may be.

~~Month means calendar month.~~

National Gas Law means the National Gas Law adopted under the *National Gas (ACT) Act 2008* (ACT) or the *National Gas (New South Wales) Act 2008* (NSW) as applicable.

~~**National Gas Objective** has the meaning given to it in the National Gas Law.~~

~~**National Gas Rules** or **NGR** means the National Gas Rules made by the AEMC under the National Gas Law.~~

~~**National Energy Retail Law** means the National Energy Retail Law adopted under the *National Energy Retail Law (South Australia ACT) Act 2012* (~~SA~~ACT) or the *National Energy Retail Law (Adoption) Act 2012* (NSW) as applicable.~~

~~**Natural Disaster Event** means any natural disaster including but not limited to fire, flood, or earthquake or epidemic that occurs during the 2021-26 Access Arrangement Period that increases the costs to ~~ActewAGL~~the Service Provider in providing the Reference Service, provided the fire, flood or other event was not a consequence of the acts or omissions of ~~ActewAGL~~the Service Provider.~~

Note for the avoidance of doubt, in making a determination on a Natural Disaster Event pursuant to clause 8.11 of this Access Arrangement, the ~~AER~~Relevant Regulator will have regard to, amongst other things:

- (i) whether ~~ActewAGL~~the Service Provider has insurance against the event; and
- (ii) the level of insurance that an efficient and prudent service provider would obtain in respect of the event.

~~**Negotiated Service** means a the service described in clause 2.8 for the transportation of gas on terms and conditions different to those applicable to the Reference Service or an Interconnection of Embedded Network Service.~~

~~**Negotiated Service Agreement** means a contract between ActewAGL and a User or Prospective User for the provision of a Negotiated Service.~~

~~**Network** means ~~ActewAGL's~~the Covered Pipeline in the Australian Capital Territory, and Queanbeyan and Palerang Region in New South Wales, including Pipeline licence no. 29 from Hoskinstown to Fyshwick, and including any extension or expansion to which this Access Arrangement applies in accordance with section 9.~~

~~**Network User Failure Event** means the occurrence of an event where:~~

- ~~(a) a Retailer of Last Resort (RoLR) Event as defined in section 122 of the National Energy Retail Law has occurred; and~~
- ~~(b) ActewAGL incurs costs in responding to the RoLR Event in accordance with its obligations under the NERL, NERR, NGL or NGR (including Guidelines and procedures that are binding under those instruments); and~~
- ~~(c) The costs are not recoverable by ActewAGL under other provisions of the NERL, NERR, NGL or NGR as in force at the time of the event, including but not limited to rule 531 of the NGR and other pass through events in this Access Arrangement.~~

~~Note for the avoidance of doubt, in making a determination on a Network User Failure Event, the Relevant Regulator will have regard to, amongst other things, the extent to which ActewAGL has taken steps to minimise the costs associated with its responsibilities in a RoLR Event, both prior to, and after, the RoLR Event was triggered.~~

~~Next Access Arrangement Period~~ means the Access Arrangement Period commencing immediately after this Access Arrangement Period.

Non-Reference Service means each of:

- (a) the Interconnection ~~of Embedded Network~~ Service; and
- (b) a Negotiated Service.

Operational Schedule means the Schedule to this Access Agreement entitled Operational Schedule.

~~Palerang~~ means the area known as Palerang Local Government Area by proclamation under the *Local Government Act 1993* (NSW) formerly the City of Queanbeyan and Tallaganda Shire.

Pipeline has the meaning given to it in the National Gas Law.

Pipeline Service has the meaning given to it in the National Gas Law.

~~Priority Date~~ means the date a complete Request is received by ActewAGL from a Prospective User.

Prospective User means:

- (a) a person who seeks ~~or wishes~~ to be provided with a Pipeline Service by means of the Network;
- (b) for the avoidance of doubt, a User is also a Prospective User if the User seeks ~~or wishes~~ to be provided with a Pipeline Service by means of the Network other than a Pipeline Service already provided to them under:
 - (i) a ~~contract~~ Service Agreement; or
 - (ii) an access determination.

Provision of Basic Metering Equipment Charge means an annual charge specified in Schedule 3 (the Reference Tariff Schedule).

PTRM means the revenue model that is used by ~~ActewAGL~~ the Service Provider to calculate Reference Tariffs for the ~~2016-2021~~ Access Arrangement Period ~~and~~, as approved in the ~~Relevant Regulator's final decision for the 2016 Access Arrangement Period~~ AER's Final Decision and updated annually in accordance with section 7 of this Access Arrangement.

Quantity has the meaning given to it in the Reference Services Agreement.

Queanbeyan-Palerang Region means the area known as Queanbeyan ~~Palerang Regional City Council~~ by proclamation under the *Local Government Act 1993* (NSW), formerly the areas known as Palerang and the City of Queanbeyan ~~and Yarrowlumla Shire~~.

~~Queuing Policy~~ has the meaning given to it in section 0 of this Access Arrangement.

Rate of Return Instrument means the Rate of Return Instrument published by the Relevant Regulator on 17 December 2018.

Receipt Point ~~has the meaning given to it in the Reference Service Agreement~~ means a point at which Gas is received into the Network.

Receipt Point Pressures has the meaning given to it in Schedule 8 of this Access Arrangement.

Receipt Station has the meaning given to it in the Reference Service Agreement.

Reference Service means the ~~Haulage Reference~~ Service ~~specified~~ described in clause 2.3.

Reference Service Agreement means the contract between ~~ActewAGL~~ the Service Provider and a User or Prospective User for the provision of the Reference Service as set out in Schedule 5.

Reference Tariff means the tariff which relates to the Reference Service specified in Schedule 3 (the Reference Tariff Schedule) or as amended in accordance with section 8.

Reference Tariff Schedule means the schedule of Reference Tariffs ~~currently in place~~ as approved by the Relevant Regulator and, being those in Schedule 3 of this Access Arrangement as amended from time to time in accordance with this Access Arrangement.

Regulatory Change Event means the introduction of, or a change in, a regulatory obligation or requirement that:

- (a) falls within no other category of pass through event; and
- (b) occurs during the course of an Access Arrangement Period; and
- (c) substantially affects the manner in which ~~ActewAGL~~ the Service Provider provides the Reference Service; ~~and~~

~~(d) materially increases or materially decreases the costs of providing those services.~~

Relevant Minister has the meaning given to it in the National Gas Law.

Relevant Regulator has the meaning given to it in the National Gas Law and at the commencement of this Access Arrangement is the AER.

Relevant Tax means any Tax other than:

- (a) a tax in the nature of an income tax or a capital gains tax;
- (b) penalties, charges, fees and interest on late payments, or deficiencies in payments, relating to any Tax;
- (c) stamp duty, or similar taxes and duties;
- (d) the AEMO Fee, the Energy Industry Levy and the Utilities (Network Facilities) Tax; and
- (e) any Tax that replaces or is the equivalent of or similar to any of the taxes referred to above.

Replacement Gas has the meaning set out in the Reference Service Agreement.

Request for Service or Request means a request for a Reference Service or Non-Reference Service using the request for service form set out ~~as described~~ in Schedule 2 of this Access Arrangement or such other request for service form as published by the Service Provider from time to time on its website.

Residential Customer means a Customer who consumes Energy principally for personal, domestic or household use.

Retail Market Procedures has the meaning given to it in the Reference Services Agreement.

Ring-fencing Guideline means the Ring-fencing Guideline, Electricity Distribution, version 2 dated October 2017 and made by the AER under clause 6.17.2 of the National Electricity Rules.

SAIDI means the System Average Interruption Duration Index, which measures the length of time each customer is without supply averaged over all customers in the Network.

SAIFI means the System Average Interruption Frequency Index, which measures the number of supply interruptions each customer experiences for the year averaged over all customers in the Network.

Service means a service provided by ~~ActewAGL~~ the Service Provider in relation to the Network including the Reference Service.

Service Agreement means a contract between ~~ActewAGL~~ the Service Provider and a User ~~or Prospective User~~ for the provision of a Pipeline Service.

Service Provider means the legal entity with the right to provide Pipeline Services by means of the Network from time to time, which at the Commencement Date is Icon Distribution Investments Limited (ABN 83 073 025 224) and Jemena Networks (ACT) Pty Ltd (ABN 24 008 552 663) trading as Evoenergy (ABN 76 670 568 688).

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

~~(a)~~ has the effect of:

- (a) substantially varying, during the course of an Access Arrangement Period, the manner in which ~~ActewAGL~~ the Service Provider is required to provide the Reference Service; or
- (b) imposing, removing or varying, during the course of an Access Arrangement Period, the minimum service standards applicable to the Reference Service; or
- (c) altering, during the course of an access arrangement period, the nature or scope of the Reference Service provided by ~~ActewAGL~~ the Service Provider; ~~and~~

~~(b) materially increases or materially decreases the cost to ~~ActewAGL~~ the Service Provider of providing the Reference Service.~~

For this Service Standard Event, the following is taken to constitute a Service Standard Event:

- (i) the variation or revocation of the waiver granted to Icon Distribution Investments Limited (ABN 83 073 025 224) and Jemena Networks (ACT) Pty Ltd (ABN 24 008 552 663) (then trading as ActewAGL Distribution) by the

AER pursuant to clauses 5.3.1 and 5.7(b) of the Ring-fencing Guideline on 18 December 2017;

- (ii) a decision by the AER to refuse to grant a waiver of the Service Provider's obligations under clause 3.1 of the Ring-fencing Guideline (or the equivalent clause of the Ring-fencing Guideline as amended from time to time) in respect of any period during the 2021 Access Arrangement Period; and
- (iii) the expiry of any waiver granted to the Service Provider if the AER has not granted a waiver of the Service Provider's obligations under clauses 3.1 of the Ring-fencing Guideline (or the equivalent clause of the Ring-fencing Guideline as amended from time to time) in respect of any period during the 2021 Access Arrangement Period.

~~Services Policy has the meaning given to it in section 2 of this Access Arrangement.~~

Speculative Capital Expenditure Account has the meaning given to it in rule 84 of the National Gas Rules.

Surcharge has the meaning given to it in rule 83(2) National Gas Rules.

Tariff means a rate by which a charge for a Pipeline Service is calculated.

Tariff Assignment Criteria means the tariff assignment criteria set out in the Reference Tariff Schedule.

~~**Tariff Category** means each of the categories of Users of the Reference Service who are subject to particular Reference Tariffs described or specified in clause 2.4 of Schedule 3, as amended from time to time in accordance with section 7 of this Access Arrangement Customers who constitute a tariff category under the Reference Tariff Schedule.~~

Tariff Class means each of the classes of Users of the Reference Service who are subject to particular Reference Tariffs described or specified in clause 2.32.2 of Schedule 3, as amended from time to time in accordance with section 7 of this Access Arrangement.

TJ means terajoule.

Tax means any royalty, duty, excise, tax, impost, levy, fee, assessment, penalty or other compliance cost or charge (including without limitation, any goods and services tax) imposed by the Commonwealth of Australia, any State or Territory of Australia, any local government or statutory authority or any other body (authorised by law to impose such an impost, tax or charge) on or in respect of the Network (or any part of it) or on or in respect of the operation, repair, maintenance, administration or management of the Network (or any part of it) or on or in respect of the provision of any Network Service (other than a levy, fee or charge that arises as a result of ~~ActewAGL~~the Service Provider's breach of a law or failure to pay a tax or charge by the due date for payment).

Terrorism Event means an act (including, but not limited to, the use of force or violence, the threat of force or violence) of any person or group of persons (whether acting alone or on behalf of or 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 increases the cost to ~~ActewAGL~~the Service Provider in providing the Reference Service.

Note for the avoidance of doubt, in making a determination on a Terrorism Event pursuant to clause 8.11 of this Access Arrangement, the ~~AER~~Relevant Regulator will have regard to, amongst other things:

- (i) whether ~~ActewAGL~~the Service Provider has insurance against the event;
- (ii) the level of insurance that an efficient and prudent service provider would obtain in respect of the event; and
- (iii) whether a declaration has been made by a relevant government authority that an act of terrorism has occurred.

Total Revenue is the revenue requirement for each Financial Year of the Access Arrangement Period ~~amount~~ determined for the Reference Service in accordance with rule 76 of the National Gas Rules.

UAG means unaccounted for Gas, being gGas necessary to make up for gGas lost or unaccounted for in the Network.

UAG Cost means the cost incurred by the Service Provider to procure Replacement Gas to make up for UAG in the Network during a Financial Year, including costs for transportation and other direct costs reasonably incurred by the Service Provider in connection with that UAG.

UNFT means the "network facility tax" as defined in the Utilities (Network Facilities Tax) Act 2006 (ACT).

Upstream Facility means a facility (including a Gas production or storage facility or transmission pipeline) not operated by the Service Provider, from which Gas is delivered into the Network.

User means a person who:

- (a) is a party to a ~~contract~~Service Agreement with ~~ActewAGL~~the Service Provider under which ~~ActewAGL~~the Service Provider provides or ~~intends~~agrees to provide a Pipeline Service to that person by means of the Network; or
- (b) has a right under an access determination to be provided with a Pipeline Service by means of the Network.

~~**Utilities (Network Facilities) Tax** means the "network facility tax" as defined in the Utilities (Network Facilities Tax) Act 2006 (ACT).~~

Variation Notice means a notice submitted by ~~ActewAGL~~the Service Provider to the Relevant Regulator under either clause 8.19 or clause 8.20.

WACC means the vanilla weighted average cost of capital as set out in the AER's Final Decision and updated annually within the PTRM.

Interpretation

1.2 Unless the contrary intention appears, a reference in this agreement to:

- (a) **(variations or replacement)** a document (including this agreement) includes any variation or replacement of it;
- (b) **(clauses, annexures, attachments and schedules)** a clause, annexure, attachment or schedule is a reference to a clause in or annexure or schedule to this agreement;
- (c) **(reference to statutes)** a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (d) **(law)** law means common law, principles of equity, and laws made by parliament (and laws made by parliament include State, Territory and Commonwealth laws and regulations and other instruments or codes under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (e) **(singular includes plural)** the singular includes the plural and vice versa;
- (f) **(person)** the word "person" includes an individual, a firm, a body corporate, a partnership, joint venture, an unincorporated body or association, or any Government Agency;
- (g) **(executors, administrators, successors)** a particular person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (h) **(two or more persons)** an agreement, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them individually;
- (i) **(jointly and severally)** an agreement, representation or warranty by two or more persons binds them jointly and each of them individually;
- (j) **(reference to a group of persons)** a group of persons or things is a reference to any two or more of them jointly and to each of them individually;
- (k) **(dollars)** Australian dollars, dollars, A\$ or \$ is a reference to the lawful currency of Australia;
- (l) **(calculation of time)** if a period of time dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
- (m) **(reference to a day)** a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (n) **(accounting terms)** an accounting term is a reference to that term as it is used in accounting standards under the Corporations Act 2001 (Cth), or, if not

inconsistent with those standards, in accounting principles and practices generally accepted in Australia;

- (o) **(meaning not limited)** the words "**include**", "**including**", "**for example**" or "**such as**" are not used as, nor are they to be interpreted as, words of limitation, and, when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind;
 - (p) **(next day)** if an act under this agreement to be done by a party on or by a given day is done after 5.30pm on that day, it is taken to be done on the next day;
 - (q) **(next Business Day)** if an event under this agreement must occur on a stipulated day which is not a Business Day then the stipulated day will be taken to be the next Business Day; and
 - (r) **(time of day)** time is a reference to Canberra time.
- 1.3 Headings are for convenience only and do not affect the interpretation of this Access Arrangement.
- 1.4 Footnotes form part of this Access Arrangement.

SCHEDULE 2: REQUESTS FOR SERVICE PROCEDURES

1 ~~Procedure for a~~ Request for the Reference Service

1.1 Application

The following requirements apply to a User or Prospective User seeking:

- (a) access to the Reference Service;
- (b) to vary the MDQ or MHQ applicable to a Delivery Point under the Reference Service Agreement; or
- (c) add a new Delivery Point to the Reference Service Agreement.

1.1.2 Request ~~In order to obtain access to a Negotiated Service or a Haulage Reference Service a Prospective User will observe the following requirements:~~

- (a) The User or A Prospective User must lodge a Request in the form set out below or as published by the Service Provider from time to time on its website.
- (b) The Request must also include the following information:
 - (i) if requesting the Reference Service for the first time (or if otherwise required by the Service Provider), sufficient information to demonstrate that the User or Prospective User satisfies the legal standing requirements and ~~meet all financial obligations and demonstrate creditworthiness requirements set out in part 3 of this Schedule 2, including provision of any security as reasonably requested by the Service Provider; pursuant to clause 28(e)(ii) of the Reference Service Agreement. and~~
 - (+)(ii) Where the Request relates to a specific Delivery Point and the MHQ is expected to exceed 6m³/Hour a Request, must include as a minimum the level of details prescribed envisaged by this Schedule 2. Where the MHQ is expected to be less than 6m³/Hour the Request must include such details as requested by ~~ActewAGL~~ the Service Provider from time to time.
- ~~(b) A Prospective User may have only one active Request in relation to the same tranche of capacity for a particular Delivery Point.~~
- ~~(c) ~~ActewAGL~~ The Service Provider will must within the shortest reasonable time and in any event within 20 Business Days of receiving a complete Request, respond to the Request in accordance with rule 112 of the National Gas Rules.~~
- ~~(d) A Request will lapse unless, within 20 Business Days of ~~ActewAGL~~ advising that capacity is available for the Request, the Prospective User~~

~~has either entered into a Reference Service Agreement or commenced bona fide negotiations to do so.¹³~~

- ~~(e) Where there is sufficient capacity to meet a Request, there will be no queue.~~
- ~~(f) Where there is insufficient capacity to satisfy a Request, then a queue will be formed and the Queuing Policy will apply.~~

2 Request for Non-Reference Service

2.1 Application

The following requirements apply where a Prospective User seeks access to a Non-Reference Service:

2.2 Request

- ~~(a) The Prospective User must lodge a Request in the form prescribed below or as published by the Service Provider from time to time on its website. The Prospective User must complete those aspects of the form which are relevant to the Non-Reference Service requested by the Prospective User.~~
- ~~(b) The Request must also include the following information:
 - ~~(i) evidence to demonstrate that the Prospective User satisfies the legal standing and creditworthiness requirements set out in part 3 of this Schedule 2, including provision of any security as reasonably requested by the Service Provider; and~~
 - ~~(ii) where the Request relates to a specific Delivery Point and the MHQ is expected to exceed 6m³/Hour, as a minimum, the details prescribed by this Schedule 2. Where the MHQ is expected to be less than 6m³/Hour the Request must include such details as requested by the Service Provider from time to time.~~~~
- ~~(c) Without limiting paragraphs (a) and (b) above, the Prospective User must provide sufficient information to enable the Service Provider to understand the nature and extent of the Prospective User's requirements.~~
- ~~(d) The Service Provider must respond to the Request in accordance with requirements under any Applicable Law, including the National Gas Rules.~~

3 Legal status and creditworthiness requirements

The following requirements apply where a Prospective User seeks access to a Reference Service or a Non-Reference Service.

¹³ ~~A Request for Service will not lapse in the event of a dispute being notified under the National Gas Law until that dispute has been resolved in accordance with the National Gas Law.~~

- (a) The Prospective User must be a resident in Australia or have a permanent establishment in Australia.
- (b) Where the Prospective User is incorporated or constituted other than under the *Corporations Act 2001* (Cth), the Prospective User must demonstrate to the Service Provider's satisfaction the legal capacity of the Prospective User to enter into and perform the Service Agreement.
- (c) The Prospective User must also demonstrate its financial capability to satisfy its obligations under the Service Agreement.
- (d) Except where the credit support rules set out in Division 4 Part 21 of the *National Gas Rules* apply to all Delivery Points to which a Pipeline Service is to be provided, the Prospective User must have an acceptable credit rating (BBB or higher as rated by Standard & Poors or equivalent) or provide the Service Provider with security on terms and conditions acceptable to the Service Provider.
- (e) For the purposes of paragraph (d) above, acceptable security may comprise:
 - (i) a guarantee of the Prospective User's obligations given by an entity, which has an acceptable credit rating; or
 - (ii) a bank guarantee given by an Australian bank (reasonably acceptable to the Service Provider) for an amount set out in the Reference Service Agreement (if applicable) or otherwise as reasonably required by the Service Provider, having regard to the type and nature of services provided.

REQUEST FOR SERVICE FORM

Sections 1, 2, 3, 4, and 5 must be completed for all Requests.

Sections 6 and 7 must be completed for additional or increased capacity at an existing site.

Sections 6, 7, 8, and 9 must be completed for new ~~d~~Delivery ~~p~~Points.

1. USER / PROSPECTIVE USER INFORMATION

Name of User / Prospective User:

A.B.N
.....

Contact Officer

Position Title

Telephone

Email

Fax

Customer Contact Details:

Name

Position Title

Telephone

Email

Fax

2. RECEIPT POINT INFORMATION

Receipt Point Location

Entity supplying inlet gas

3. DELIVERY POINT INFORMATION

Delivery Point Business Name

A.B.N.
.....

Delivery Point Street Address

Postcode

Delivery Point is metres (N, S, E or W) from (nearest cross Street)

Delivery Point is located on the (N, S, E or W) side of the Street.

4. TRANSPORTATION INFORMATION

Service Requested	Haulage Reference Service / <u>Interconnection Service</u> / Negotiated Service
	Increase in MDQ or MHQ / change in Delivery Station characteristics

Service Commencement Date	
Duration of Services Agreement Sought	
ANZIC code(s)	
Gas Applications	
AQ (GJ/yr) Annual Quantity	
MDQ (GJ/gas day) Maximum Daily Quantity	
MHQ (GJ/hr) Maximum Hourly Quantity	

5. DELIVERY STATION PRESSURE

Delivery Station Pressure (kPa)

Metering pressure (1.38, 2.75, 5.0, 35, 100, if other please specify)

6. APPLIANCE & GAS LOAD INFORMATION

Appliance Type	Hourly Rate (MJ/hr)	Operating Capacity (%)	Hour/Day	Days/week	Weeks/year	Total Annual Quantity (TJ/yr)

Total						
-------	--	--	--	--	--	--

Do any of these appliances have pilots or small flow rates? If so, which ones?

7. FUEL CONVERSION INFORMATION

(if applicable)

Current Fuel Type

Current Annual Consumption (GJ/yr)

8. DELIVERY STATION INFORMATION

If the customer requires other than a standard single run meter set, please specify:	
Is the proposed meter set located indoors?	Y/N
Is a security compound required?	Y/N

9. DELIVERY STATION LOCATION SKETCH

Please provide a sketch showing the proposed location of the meter set and the following:

- length of ~~customer~~-service (path valve to meter set);
- surface restoration from front boundary to meter set;
- any walls to be pierced or other obstacle, eg stairs, retaining walls etc. to be negotiated;
- all buildings and any other permanent structures on the site;
- side and front building lines, and kerb line; and
- bearing (north).

SCHEDULE 3: INITIAL REFERENCE TARIFF SCHEDULE

1 Introduction

- (a) This Reference Tariff Schedule sets out the Initial Tariff Categories and Initial Reference Tariffs that apply for the Reference Service under this Access Arrangement.¹⁴
- (b) The Initial Reference Tariffs are expressed in real 2016/2017/2021/2022 dollars, and are exclusive of GST.
- ~~(e)~~ ~~There may be more than one Initial Reference Tariff for the Reference Service.~~
- ~~(d)~~(c) The Initial Reference Tariffs applicable to a Delivery Point available for the Reference Service depends upon the Initial Tariff Category assigned by ActewAGL the Service Provider to the Delivery Point ~~to which the Reference Service will be provided.~~
- ~~(e)~~(d) In addition to setting out the Initial Tariff Categories and the Initial Reference Tariffs, this Reference Tariff Schedule sets out ~~and explains~~ the tariff components and assignment criteria used in determining the availability of different ~~Initial~~ Reference Tariffs for a Delivery Point.
- ~~(f)~~(e) The Initial Reference Tariffs will take effect from the Commencement Date and will apply until amended in accordance with section 7 of this Access Arrangement. When the Reference Tariffs are amended, the updated Reference Tariff Schedule will be published on ActewAGL the Service Provider's website.

2 Tariff Assignment ~~e~~Criteria for a Tariff Category

2.1 Elements for assignment to a Tariff Category ~~assignment~~

- (a) ~~ActewAGL The Service Provider~~ determines the appropriate Tariff Category for a Delivery Point based on each of the following elements:
 - ~~(i)~~ ~~customer groups~~;
 - ~~(ii)~~(i) Tariff Classes (see clause 2.2); and
 - ~~(iii)~~(ii) the additional category assignment criteria specified in clause 2.4.2.3 below.
- (b) The assignment criteria for each relevant element must be satisfied in order for a Delivery Point to qualify for a particular Tariff Category.
- (c) Each Tariff Category is allocated a code which reflects the assignment criteria for each of the elements using the following format:

¹⁴ The terms "Chargeable Demand", "Day", "Demand Reset Date" and "Quantity" used in this Schedule have the meaning set out in the Reference Service Agreement.

~~[G]~~~~[TC]~~[CAT]

where:

[G] is ~~a single character defining the customer group~~ Tariff Class (V for Volume or D for Demand). ~~Customer groups~~ Tariff Classes are described in clause 2.2 below;

~~[TC] is a single character defining the Tariff Class (R for Residential or B for Business). Tariff Classes are described in clause 2.3 below;~~

[CAT] is a Tariff Category name or abbreviation. The assignment criteria for the Tariff Categories are described in clause 2.3~~2.4~~ below.

2.2 ~~Customer Group~~ Tariff Classes

- (a) The ~~customer group~~ Tariff Class that applies to a Delivery Point ~~to which a Haulage Reference Service is provided~~ is determined on the basis of the characteristics of the Energy requirements of the Customer and any ~~other~~ End customer ~~Consumer that is supplied with, and consumes, Energy as a result of gas being delivered to~~ at that Delivery Point ~~under that Haulage Reference Service.~~
- (b) The assignment criteria for determining the Tariff Class are as follows:
- (i) **Demand Tariff Class:** A Delivery Point can be assigned to the ~~a~~ Demand Tariff ~~customer group~~ Class where:
- a. the Quantity of Gas withdrawn at that Delivery Point is reasonably expected to be equal to or greater than 10 TJ of Gas per annum;
- b. all gGas delivered to that Delivery Point is used on the premises to meet the production or Energy requirements of:
- a single Business Customer occupying those premises; and
- i. ~~a Customer operating a centralised gas fired electricity generation plant or system that supplies electricity and cogenerated thermal energy directly to a group of substantially non-residential eEnd customers¹⁵ occupying the same or nearby premises;¹⁶ or~~
- ii. ~~a single Customer operating a centralised gas fired electricity generation plant or system that~~

¹⁵ ~~As a guide, ActewAGL will consider a group of end customers to be substantially non-residential where less than 50% (by number of end customers) of the group use Energy principally for personal, domestic or household purposes.~~

¹⁶ ~~In these circumstances, only the Delivery Point of the Customer would be recognised in ActewAGL's systems. Subsequent on-supply to end customers by that Customer would not be individually represented in ActewAGL's or retail market systems (subject to application of the exempt seller regime in the National Energy Retail Law).~~

~~supplies electricity and co-generated thermal energy directly to the Customer's premises;~~

- ~~b. the Quantity of gas withdrawn at that Delivery Point is reasonably expected to be equal to or greater than 10 TJ of gas per annum; and~~
- c. ~~AetewAGL~~the Service Provider has accurate and complete information to enable Load Shedding procedures to be implemented at the Delivery Point.

Assignment to a Demand Tariff is for a minimum period of 12 months.

(ii) **Volume Tariff Class:** A Delivery Point can be assigned ~~to the~~ Volume Tariff Class~~customer group~~ where the Delivery Point does not satisfy the Demand Tariff ~~customer group~~Class assignment criteria. Examples of Delivery Points which will be assigned to the Volume Tariff Class include Delivery Points where and all gGas delivered to that Delivery Point is used on the premises to meet the production or Energy requirements of:

- a. a single Residential Customer;
- b. a single Business Customer who is reasonably expected to consume less than 10 TJ of Gas per annum; or
- ~~c. a Customer operating a centralised gas-fired electricity generation plant or system that supplies electricity and co-generated thermal energy directly to a group of substantially residential end customers¹⁷ occupying the same or nearby premises¹⁸; or~~
- cd. a group of ~~eEnd customers~~Consumers (business and/or residential) occupying a single, multi-occupancy premises where ~~gGas~~ is withdrawn by a single Customer at a ~~single~~ Delivery Point ~~(other than as contemplated under the subparagraph c. above).~~¹⁹;

~~2.3 Tariff Classes~~

~~(a) The Tariff Class that applies to a Delivery Point to which a Haulage Reference Service is provided is determined on the basis of the~~

¹⁷ ~~As a guide, AetewAGL will consider a group of end customers to be substantially residential where more than 50% (by number of end customers) of the group use Energy principally for personal, domestic or household purposes.~~

¹⁸ ~~In these circumstances, only the Delivery Point of the Customer would be recognised in AetewAGL's systems. Subsequent on-supply to end customers by that Customer would not be individually represented in AetewAGL's or retail market systems (subject to application of the exempt seller regime in the National Energy Retail Law).~~

¹⁹ In these circumstances, only the Delivery Point of the Customer would be recognised in ~~AetewAGL~~the Service Provider's systems. Subsequent on-supply to ~~end customers~~End Consumers by that Customer would not be individually represented in ~~AetewAGL~~the Service Provider's or retail market systems (subject to application of the exempt seller regime in the National Energy Retail Law).

~~characteristics of the end customer that is supplied with, and consumes, Energy as a result of gas being delivered to that Delivery Point under that Haulage Reference Service.~~

~~(b) The assignment criteria are as follows:~~

~~(i) **Business Tariff Class:** A Delivery Point can be assigned a Business Tariff Class where all gas delivered to that Delivery Point is used on the premises to meet the production or Energy requirements of:~~

~~a. a single Business Customer occupying those premises; or~~

~~b. a group of substantially non-residential end customers occupying those premises or nearby premises who are supplied electricity and cogenerated thermal energy directly from a Customer operating a centralised gas-fired electricity generation plant or system.~~

~~(ii) **Residential Tariff Class:** A Delivery Point can be assigned a Residential Tariff Class where the Delivery Point does not satisfy the Business Tariff Class assignment criteria.~~

2.42.3 Tariff Category

(a) The Tariff Category that applies to a Delivery Point in respect of which ~~a Haulage~~the Reference Service is provided is determined on the basis of the ~~customer group and~~ Tariff Class that applies to that Delivery Point and the use of the ~~g~~Gas delivered to that Delivery Point by means of the ~~Haulage~~ Reference Service.

(b) Tariff Categories for the Demand Tariff ~~Class~~customer group, and the ~~corresponding category~~ assignment criteria are as follows:

Abbreviation	Tariff Category	Criteria
DBC	Demand Business Capacity	This Tariff Category is used for Delivery Points which meet the Demand Tariff Class <u>customer group and Business Tariff Class</u> assignment criteria and have not been assigned to another the DT Tariff Category.
DBT	Demand Business Throughput	Assignment to this Tariff Category is made upon User request. This Tariff Category is used for Delivery Points which meet the Demand Tariff customer group <u>Class and Business Tariff Class</u> assignment criteria.
DBG	Demand Business Large Scale	Assignment to this Tariff Category is made upon User request. This Tariff Category is used for Delivery

Abbreviation	Tariff Category	Criteria
	Generation	<p>Points which meet the Demand Tariff customer group and Business Tariff Class assignment criteria, and which satisfy the following additional criteria:</p> <ul style="list-style-type: none"> * all gas is consumed on the premises by a Customer operating a gas fired electricity generation plant or system that supplies electricity and eogenerated thermal energy directly to a group of substantially non-residential end customers²⁰ occupying the same or nearby premises²¹; or * all gas is consumed on the premises by a single Customer operating a gas fired electricity generation plant or system that supplies electricity and eogenerated thermal energy directly to the Customer's premises.

²⁰ ~~As a guide, ActewAGL will consider a group of end customers to be substantially non-residential where less than 50% (by number of end customers) of the group use Energy principally for personal, domestic or household purposes.~~

²¹ ~~In these circumstances, only the Delivery Point of the Customer would be recognised in ActewAGL's systems. Subsequent on-supply to end customers by that Customer would not be individually represented in ActewAGL's or retail market systems (subject to the application of the exempt seller regime in the National Energy Retail Law).~~

(c) Tariff Categories for the Volume Tariff ~~Class~~customer group and ~~corresponding the~~ assignment criteria are as follows:

Abbreviation	Tariff Category	Criteria
VRI	Volume Residential- Individual	<p>This Tariff Category is used for Delivery Points which meet the Volume Tariff Class<u>customer group</u> assignment criteria, and which satisfy the following additional criterion:</p> <ul style="list-style-type: none"> all g<u>G</u>as withdrawn at the Delivery Point is measured by ActewAGL the<u>Service Provider</u> by individually metering the Energy consumption of the e<u>End customer(s)Consumers</u> (including the consumption of hot water supplied through a centralised residential gas hot water system).
VRH	Volume-Residential-Individual (gas heating-combined with other gas appliances)	<p>Assignment to this Tariff Category is made upon User request.</p> <p>This Tariff Category is used for Delivery Points which meet the Volume Tariff customer group assignment criteria, and which satisfy the following additional criteria:</p> <ul style="list-style-type: none"> all gas withdrawn at the Delivery Point is measured by ActewAGL by individually metering the Energy consumption of the end customer(s) (including the consumption of hot water supplied through a centralised residential gas hot water system); and the end customer uses gas at the Delivery Point for gas heating and other gas appliances or applications.
VRB	Volume Residential- Boundary	<p>Assignment to this Tariff Category is made upon User request.</p> <p>This Tariff Category is used for Delivery Points which meet the Volume Tariff Class<u>customer group</u> assignment criteria, and which satisfy the following additional criteria: <u>in clause 2.2(b)(ii)c.</u></p> <p>all gas withdrawn at the Delivery Point is measured by ActewAGL using a single gas metering installation for all gas delivered to the Delivery Point (i.e. ActewAGL does not meter the Energy consumption of</p>

Abbreviation	Tariff Category	Criteria
		<p>each individual end customers); and</p> <p>the Delivery Point has not been assigned to a DBG or VRG Tariff Category.²²</p>
VBS	Volume Small Business	<p>Assignment to this Tariff Category is made upon User request.</p> <p>This Tariff Category is used for Delivery Points which meet the Volume Tariff customer group and Business Tariff Class assignment criteria, and which satisfy the following additional criterion:</p> <ul style="list-style-type: none"> • all gas withdrawn at the Delivery Point is measured by ActewAGL by individually metering the Energy consumption of the end customer(s).
VBM	Volume Medium Business	<p>Assignment to this Tariff Category is made upon User request.</p> <p>This Tariff Category is used for Delivery Points which meet the Volume Tariff customer group and Business Tariff Class assignment criteria, and which satisfy the following additional criteria:</p> <ul style="list-style-type: none"> • all gas withdrawn at the Delivery Point is measured by ActewAGL by individually metering the Energy consumption of the end customer(s); and • the Quantity of gas withdrawn at that Delivery Point is reasonably expected to be equal to or more than 8 TJ of gas per annum.
VRG	Volume Residential Large Scale Generation	<p>Assignment to this Tariff Category is made upon User request.</p> <p>This Tariff Category is used for Delivery Points which meet the Volume Tariff customer group assignment criteria, and which satisfy the following additional criteria:</p> <ul style="list-style-type: none"> • all gas is consumed on the premises by a Customer operating a gas fired

²² ~~In these circumstances, only the Delivery Point of the Customer would be recognised in ActewAGL's systems. Subsequent on-supply to end customers by that Customer would not be individually represented in ActewAGL's or retail market systems (subject to application of the exempt seller regime in the National Energy Retail Law).~~

Abbreviation	Tariff Category	Criteria
		<p>electricity generation plant or system that supplies electricity and co-generated thermal energy directly to a group of substantially residential end customers²³ occupying the same or nearby premises²⁴; and</p> <p>the Quantity of gas withdrawn at that Delivery Point is reasonably expected to be equal to or more than 50 TJ of gas per annum.</p>

- (d) Where a Delivery Point is eligible for more than one Tariff Category, the User or Prospective User can nominate the Tariff Category in accordance with clause 2.42.3 of this Schedule 3. ~~For example, a User or Prospective User may request to be placed in the VRI, VRH or VBS Tariff Category. ActewAGL may refuse a nomination by a User or Prospective User if it does not consider the Delivery Point to be eligible for that Tariff Category.~~

²³ ~~As a guide, ActewAGL will consider a group of end customers to be substantially residential where more than 50% (by number) of the group use Energy principally for person, domestic or household purposes.~~

²⁴ ~~In these circumstances, only the Delivery Point of the Customer would be recognised in ActewAGL's systems. Subsequent on-supply to end customers by that Customer would not be individually represented in ActewAGL's or retail market systems (subject to application of the exempt seller regime in the National Energy Retail Law).~~

3 Initial Tariff Categories and Tariff charge components for the ~~Haulage~~ Reference Service

- (a) A User must pay ~~As per AGL~~ the Service Provider all charges applicable to the ~~Haulage~~ Reference Service provided based on the relevant Tariff Category.
- (b) The table below sets out the Tariff charge components applicable to each Tariff Category.
- (c) In addition, other charges are payable in accordance with the Reference Service Agreement.
- (d) Tariff charge components applicable to each Tariff Category.

Tariff Category	Abbreviation	Haulage Reference Service -- Reference Tariff Components
Volume Residential Individual	VR I	Volume Throughput Rate (clause 4.1(c)) Fixed Charge (clause 4.1(e)) Ancillary Charges (clause 4.1(f))
Volume Residential Individual (gas heating combined with other gas appliances)	VRH	Volume Throughput Rate (clause 4.1(c)) Fixed Charge (clause 4.1(e)) Ancillary Charges (clause 4.1(f))
Volume Residential Boundary	VR B	Volume Throughput Rate (clause 4.1(c)) Fixed Charge (clause 4.1(e)) Ancillary Charges (clause 4.1(f))
Volume Residential Large Scale Generation	VRG	Demand Capacity Rate (clause 4.1(a)) Fixed Charge (clause 4.1(e)) Ancillary Charges (clause 4.1(f))
Volume Small Business	VBS	Volume Throughput Rate (clause 4.1(c)) Fixed Charge (clause 4.1(e)) Ancillary Charges (clause 4.1(f))
Volume Medium-Business	VBM	Volume Throughput Rate (clause 4.1(c)) Fixed Charge (clause 4.1(e)) Ancillary Charges (clause 4.1(f))

Tariff Category	Abbreviation	Haulage Reference Service -- Reference Tariff Components
Demand Business - Capacity	DBC	Demand Capacity Rate (clause 4.1(a)) Provision of Basic Metering Equipment Charge (clause 4.1(d)) Ancillary Charges (clause 4.1(f))
Demand Business - Throughput	DBT	Demand Throughput Rate (clause 4.1(b)) Provision of Basic Metering Equipment Charge (clause 4.1(d)) Ancillary Charges (clause 4.1(f))
Demand Business Large-Scale Generation	DBG	Demand Capacity Rate (clause 4.1(a)) Provision of Basic Metering Equipment Charge (clause 4.1(d)) Ancillary Charges (clause 4.1(f))

4 Initial Reference Tariffs

4.1 ~~Haulage~~ Reference Service

(a) Demand Capacity Rate

Tariff Category	Unit Rate – dollars per GJ of Chargeable Demand (CD) per annum (\$/GJ.CD.pa) Period ending 30 June 2022 17 Prices are real 2016-2017 <u>2021-2022</u> GST exclusive dollars		
	First 50 GJ of CD	Next 100 GJ of CD	Remainder
VRG	234.142	230.316	227.255
	First 50 GJ of CD	Next 100 GJ of CD	Remainder
DBC	<u>301.681246.465</u>	<u>242.438290.017</u>	<u>239.216269.782</u>
	First 40 GJ of CD	Next 80 GJ of CD	Remainder
DBG	<u>241.632</u>	<u>229.551</u>	<u>201.360</u>

(b) Demand Throughput Rate

Tariff Category	Demand Throughput Rate (\$/GJ) <i>Period ending 30 June 202217</i> Minimum chargeable quantity of 833GJ/month Prices are real 202116-202217 GST exclusive dollars
DBT	<u>3.8443.528</u>

(c) Volume Throughput Rate

Tariff Category	Volume Throughput Rate (\$/GJ) <i>Period ending 30 June 202217</i> Prices are real 202216-202217 GST exclusive dollars			
Block size (GJ per month)	First 1.25 GJ	Next 13.45 GJ	Next 45.30 GJ	Remainder
Block size (GJ per quarter)	First 3.75 GJ	Next 40.35 GJ	Next 135.90 GJ	Remainder
VRI	<u>11.951 -</u> <u>9.670</u>	<u>6.396</u> 6.081	<u>5.780 -</u> <u>5.759</u>	<u>5.574</u> 5.638
Block size (GJ per month)	First <u>1.70</u> GJ	Next <u>6.20</u> GJ	Remainder	
Block size (GJ per quarter)	First <u>5.10</u> GJ	Next <u>18.60</u> GJ	Remainder	
VRH	6.001	5.719	5.678	
Block size (GJ per month)	First 37.50 GJ	Next 372.00 GJ	Remainder	
Block size (GJ per quarter)	First 112.50 GJ	Next 1116.00 GJ	Remainder	
VRB	<u>10.768 -</u> <u>9.670</u>	6.081 <u>6.321</u>	<u>5.759</u> <u>5.802</u>	
Block size (GJ per month)	First <u>2.50</u> GJ	Next <u>95.00</u> GJ	Remainder	
Block size (GJ per quarter)	First <u>7.50</u> GJ	Next <u>285.00</u> GJ	Remainder	
VBS	8.014	6.216	6.025	
	Minimum chargeable quantity of 666GJ/month for VBM			
Block size (GJ per month)	First <u>350.00</u> GJ	Next <u>400.00</u> GJ	Remainder	
VBM	5.839	4.833	4.430	

(d) Provision of Basic Metering Equipment Charges

Tariff Category	Standing Charge : \$/pa per Delivery Station Charges based on Delivery Point MHQ Period ending 30 June 202217 Prices are real 202116-202217 GST exclusive dollars				
		MHQ <16 GJ/hr	MHQ >=16 to <50 GJ/hr	MHQ >=50 to <100 GJ/hr	MHQ >= 100 GJ/hr
All Tariff Categories for the Demand Tariff customer-groupClass	Single Run	7,648- 6,444	10,515 - 8,860	16,094 - 13,692	20,808 - 17,720
	Double Run	15,296 - 12,887	21,030 - 17,720	32,188 - 27,385	41,616 - 35,439

Tariff Category	Standing Charge : \$/pa per Delivery Station Period ending 30 June 202217 Prices are real 202116-202217 GST exclusive dollars	
All Tariff Categories for the Demand Tariff customer-groupClass	More than 15 Delivery Stations installed at the Delivery Point	1,980 \$1,530.338

(e) Fixed Charge

Tariff Category	Standing Charge – dollars per annum Period ending 30 June 202217 Prices are real 202116-202217 GST exclusive dollars
VRI	69.74 64.435
VRH	144.979
VRB	644.353
VRG	12,887.053
VBS	716.934 104.707
VBM	1,610.882

(f) Ancillary Charges

Ancillary Charges applicable to all Tariff Categories <i>Period Ending 30 June 202217</i> Prices are real 20116-201722 GST exclusive dollars		
Fee Type <u>Activity</u>	Description	Charge
Hourly Charge – non-standard User-initiated requests and queries	<p>The assessment of a User’s or Prospective User’s requirements, collation of information and provision of a response to a User or Prospective User in relation to non-standard requests and queries. Examples include, but are not limited to:</p> <ul style="list-style-type: none"> • Large Customer connection or upgrade inquiries requiring additional investigation by ActewAGL<u>the Service Provider</u> due to the nature of the request; and • requests for measurement data additional to data provided in standard reports. <p>Not applicable to the processing of connections and alterations under Part 12A of the National Gas Rules.</p>	\$ 80.54 <u>100</u> , plus \$ 80.54 <u>100</u> per hour after the first hour
Disconnection	<p>Disconnection of supply to a single-Delivery Point at the request of the User or Customer in circumstances where the User or Customer requests that the meter is not to be moved or removed, and disconnection occurs in accordance with the relevant Applicable Law as in force at the Commencement Date.</p> <p>A request for disconnection is also a request to remove a Delivery Point from the relevant Customer List under the User’s Service Agreement.</p> <p>The specific method of disconnection will be at the discretion of ActewAGL<u>the Service Provider</u>, to ensure the site is able to be left in a safe state.</p>	<p>Charges apply per meter set:</p> <p>(i) meter set with a capacity of less than or equal to 625<u>625</u>m³/hr: \$117.81<u>130</u></p> <p>(ii) meter set with a capacity of greater than 625<u>625</u>m³/hr: \$157.09<u>180</u></p>

Ancillary Charges applicable to all Tariff Categories Period Ending 30 June 202217 Prices are real 202116-201722 GST exclusive dollars		
Reconnection	<p>The subsequent reconnection made in accordance with the National Energy Retail Law or Rules as in force at the Commencement Date, the Reference Service Agreement, or in other circumstances (at AetwAGL<u>the Service Provider</u>'s discretion, acting reasonably) where the Delivery Station components and pipework are still installed at the Delivery Point and can be re-energised without alteration or replacement.</p> <p>Reconnection in circumstances other than those described above and for Demand Customers would require a new connection and a new Request for Service to be made.</p>	<p>Charges apply per meter set:</p> <p>(i) meter set with a capacity of less than or equal to 625<u>625</u>m³/hr: \$39.2745</p> <p>(ii) meter set with a capacity of greater than 625<u>625</u>m³/hr: \$47.1355</p>
Decommissioning and meter removal <u>Abolishment</u>	<p>Permanent decommissioning of a Delivery Point, typically including the removal of the meter in circumstances where decommissioning and meter removal occurs in accordance with the relevant Applicable Law in force as at the Commencement Date.</p> <p>A request for decommissioning and meter removal<u>abolishment</u> is also a request to remove a the Delivery Point from the <u>Customer List under the</u> User's Service Agreement.</p> <p>The specific method of disconnection<u>abolishment</u> will be at the discretion of AetwAGL<u>the Service Provider</u>; to ensure the site is able to be left in a safe state.</p> <p>Subsequent reconnection of the Delivery Point is not included. Reconnection would requires a new connection and a new Request for Service to be made.</p>	<p>Charges apply per meter set:</p> <p>(i) meter set with a capacity of less than or equal to 625<u>625</u>m³/hr: \$67028.33</p> <p>(ii) meter set with a capacity of greater than 625<u>625</u>m³/hr: \$1,230076.01</p>

Ancillary Charges applicable to all Tariff Categories Period Ending 30 June 202217 Prices are real 202116-201722 GST exclusive dollars		
Special Meter Reads	For meter reading requested by a User for a Delivery Point that is in addition to the scheduled ordinary meter reading comprised in the Haulage Reference Service (for instance, when the meter reader makes a special visit to read a particular meter out of the usual meter reading route or schedule). This service must be scheduled by the User with ActewAGL <u>the Service Provider</u> in accordance with the Retail Market Procedures <u>applicable market procedures</u> .	\$ 105.71 per meter read

Notes to table:

(1) The charges above are for providing the services in accordance with the relevant Applicable Law in force at the Commencement Date.

5 Initial Chargeable Demand

5.1 Initial Chargeable Demand for Delivery Points existing at the Commencement Date

- (a) For existing Delivery Points at the Commencement Date that are assigned to the Demand Capacity Tariff Category, the Chargeable Demand from the Commencement Date will be equal to the lesser of:
- (i) the Chargeable Demand applicable to the Delivery Point on 30 June 2021; and
 - (ii) the amount calculated in accordance with paragraph (b) below.
- (b) The maximum Chargeable Demand for a Delivery Point existing on the Commencement Date in accordance with paragraph (a) above is the larger of the following three values:
- (i) the ninth highest Quantity of Gas withdrawn at that Delivery Point on any one Day between 1 July 2020 and 30 June 2021;
 - (ii) ten times the MHQ of that Delivery Point on 30 June 2021; and
 - (iii) the MDQ of that Delivery Point on 30 June 2021.
- (c) A reduction in Chargeable Demand under paragraph (a) above will not change the current Demand Reset Date for a Delivery Point and will not be regarded as a reduction request in any future reduction request initiated by the User.

56 Grandfathering of Provision of Basic Metering Equipment Charges for more than 15 Delivery Stations installed at a Delivery Point

~~From the Commencement Date, the Provision of Basic Metering Equipment Charge for more than 15 Delivery Stations installed at a Delivery Point is only available for an existing Delivery Points being charged on this basis as at 1 July 2016 that was considered to be eligible for this Reference Tariff in ActewAGL's revenue forecast for this Access Arrangement.~~

No other Delivery Points ~~may qualify for this Reference Tariff from the Commencement Date.~~

~~ActewAGL Distribution will confirm whether this Reference Tariff is available to a particular Delivery Point in response to reasonable requests from Users or Customers.~~

SCHEDULE 4: REFERENCE TARIFF ADJUSTMENT FACTORS

1. Automatic adjustment factor (A)

$$A_t = \frac{(1 + A'_t)}{(1 + A'_{t-1})} - 1$$

where:

A'_{t-1} is:

1.1 zero when $t-1$ refers to Financial Year ~~2016/17~~2021-22; and

1.2 the value of A'_t determined for the Financial Year $t-1$ for all other years;

and

A'_t is:

$$A'_t = \frac{(L_{t-2} + U_{t-2} + C_{t-2} + T_{t-2}) \times [(1 + \text{realWACC}_t) \times (1 + \text{realWACC}_{t-1}) \times (1 + \text{CPI}_{t-1})]}{(1 - X_t) \sum_{i=1}^n \sum_{j=1}^m p_{t-1}^{ij} q_{t-2}^{ij}}$$

where:

t —is the Financial Year for which tariffs are being set;

L_{t-2} is the licence fee factor amount, as defined in this Schedule 4, for Financial Year $t-2$;

When $t-2$ is Financial Year 2020-21, L_{t-2} is:

$$\underline{L_{2019-20} * (1 + \text{realWACC}_{2020-21}) * (1 + \text{CPI}_{2020-21}) + L_{2020-21}}$$

where:

$L_{2019-20}$: is the licence fee factor amount for Financial Year 2019-20;

$L_{2020-21}$: is the licence fee factor amount for Financial Year 2020-21;

$\text{realWACC}_{2020-21}$: is the real WACC determined for Financial Year 2020-21; and

$\text{CPI}_{2020-21}$: is the value of CPI_t determined for the Financial Year 2020-21;

real WACC_t is the ~~pre-tax~~ real ~~weighted average cost of capital~~ WACC for Financial Year t determined in accordance with the PTRM using the updated return on debt for Financial Year t determined in accordance with clauses 6.1 to 6.24;

$real\ WACC_{t-1}$ is the ~~pre-tax~~ real ~~weighted average cost of capital~~ WACC determined for Financial Year $t-1$;

U_{t-2} is the UAG factor amount, as defined in this Schedule 4, for Financial Year $t-2$;

C_{t-2} is the Carbon Cost factor amount, as defined in this Schedule 4, for Financial Year $t-2$;

T_{t-2} is the Relevant Tax factor amount, as defined in this Schedule 4, for Financial Year $t-2$;

CPI_t has the same meaning as set out in clause 8.4;

CPI_{t-1} is the value of CPI_t determined for the Financial Year $t-1$;

X_t has the same meaning as set out in clause 8.4;

p_{t-1}^{ij} has the same meaning as set out in clause 8.4; and

q_{t-2}^{ij} has the same meaning as set out in clause 8.4.

2. Factor amounts

2.1 Licence fee factor amount

The licence fee factor amount for a Financial Year ~~$t-2$~~ is to be calculated as follows:

(a) the actual cost incurred in that Financial Year $t-2$ by ~~AetewAGL~~ the Service Provider as a result of any IPART, AEMO, EWON, Independent Competition and Regulatory Commission, Relevant Regulator or any other relevant regulator, authority or State or Commonwealth Government's authorisation fees, licence fees or statutory charges imposed on ~~AetewAGL~~ the Service Provider which is related to the ownership or operation of the Network, ~~in Financial Year $t-2$~~ including, without limitation, the AEMO Fee, and the Energy Industry Levy ~~and but excluding~~ the ~~Utilities (Networks Facilities) Tax~~ UNFT,

minus

(b) the forecast of the cost incurred by ~~AetewAGL~~ the Service Provider in that Financial Year as a result of any IPART, AEMO, EWON, Independent Competition and Regulatory Commission, Relevant Regulator or any other relevant regulator, authority or State or Commonwealth Government's authorisation fees, licence fees or statutory charges imposed on ~~AetewAGL~~ the Service Provider which is related to the ownership or operation of the Network included in the Relevant Regulator's relevant final decision ~~for Financial Year $t-2$~~ including, without limitation, the AEMO Fee, and the Energy Industry Levy ~~and but excluding~~ the ~~Utilities (Network Facilities) Tax~~ UNFT,

plus

~~(b)~~(c) the UNFT adjustment for that Financial Year calculated in accordance with this clause 2.1.

The UNFT adjustment for Financial Year 2019-20 is to be calculated as follows:

(a) the actual cost incurred by the Service Provider as a result of the UNFT for the period 1 April 2019 to 30 June 2020;

minus

(b) the forecast of the cost incurred by the Service Provider as a result of the UNFT for the period 1 April 2019 to 30 June 2020, being the summation of:

(i) the forecast for the period 1 April 2019 to 30 June 2019 that was included in the calculation of the licence fee factor amount for the purpose of the 2020-21 Tariff Variation Notice; and

(ii) the forecast for Financial Year 2019-20 that was included in the forecast of operating expenditure for Financial Year 2019-20 in the Relevant Regulator's relevant final decision for the 2016 Access Arrangement Period, as adjusted in respect of the UNFT for the period July 2019 to March 2020 in the calculation of the licence fee factor amount for the purpose of the 2020-21 Tariff Variation Notice;

∴The UNFT adjustment for Financial Year 2020-21 is to be calculated as follows:

(a) the actual cost incurred by the Service Provider as a result of the UNFT for Financial Year 2020-21 including, where the actual cost incurred is not known for a period in that Financial Year, an estimate of the actual cost for that period;

minus

(b) the forecast of the cost incurred by the Service Provider as a result of the UNFT for Financial Year 2020-21 that was included in the forecast of operating expenditure for Financial Year 2020-21 in the Relevant Regulator's relevant final decision for the 2016 Access Arrangement Period.

The UNFT adjustment for Financial Year 2021-22 is to be calculated as follows:

(a) the actual cost incurred by the Service Provider as a result of the UNFT:

(i) for any period for which an estimate of the actual cost (rather than the actual cost) incurred by the Service Provider as a result of the UNFT for Financial Year 2020-21 is included in the UNFT adjustment for that Financial Year for the purpose of the 2022-23 Tariff Variation Notice; and

(ii) for the period 1 July 2021 to 31 March 2022;

minus

(b) if an estimate of the actual cost (rather than the actual cost) incurred by the Service Provider as a result of the UNFT for Financial Year 2020-21 is included in the UNFT adjustment for that Financial Year for the purpose of the 2022-23 Tariff Variation Notice, that estimate;

minus

(c) the forecast of the cost incurred by the Service Provider as a result of the UNFT for the period 1 July 2021 to 31 March 2022 that is included in the forecast of operating expenditure in the AER's Final Decision.

For Financial Years 2022-23 and 2023-24, the UNFT adjustment is to be calculated as follows:

(a) the actual cost incurred by the Service Provider as a result of the UNFT for the 12 month period ending 31 March in the Financial Year,

minus

(b) the forecast of the cost incurred by the Service Provider as a result of the UNFT for the 12 month period ending 31 March in the Financial Year that is included in the forecast of operating expenditure for the Financial Year in the AER's Final Decision.

2.2 UAG factor amount

The UAG factor amount for a Financial Year ~~t-2~~ is to be calculated as follows:

(a) the benchmark cost incurred by ~~AetwAGL~~ the Service Provider for purchases of ~~g~~ Replacement g Gas as UAG, calculated as the product of:

- (i) g Gas receipts in ~~GJgigajoules~~ GJgigajoules for that Financial Year ~~t-2~~;
- (ii) the UAG Cost for that Financial Year ~~t-2~~ in $\$/\text{GJgigajoule}$; and
- (iii) the UAG target rate ~~of 1.96%~~ for that Financial Year,

minus

(b) the forecast of the total UAG costs included in the Relevant Regulator's relevant final decision for that Financial Year ~~t-2~~.

The UAG target rates are as follows:

	<u>Where Financial Year is 2019-20 or 2020-21</u>	<u>For all other Financial Years</u>
<u>UAG target rate</u>	<u>1.96%</u>	<u>2.49%</u>

Reference Tariffs will be adjusted in the event that total UAG costs cease to be a Network cost during the Access Arrangement Period.

The forecast UAG costs are as follows:

	2016/17 <u>2021-22</u>	2017/18 <u>2022-23</u>	2018/19 <u>2023-24</u>	2019/20 <u>2024-25</u>	2020/21 <u>2025-26</u>
Forecast UAG Cost (\$M, 2014/15 to 2019/20)	1.41-1.51	1.94-1.49	1.75-1.48	1.73-1.46	1.68-1.45

2.3 Carbon Cost factor amount

The Carbon Cost ~~F~~factor ~~A~~amount for a Financial Year ~~t-2~~ is to be calculated as follows:

(a) the actual cost incurred by ~~ActewAGL~~the Service Provider as a result of the operation of a Carbon Scheme for that Financial Year ~~t-2~~,

minus

(b) the forecast of the cost incurred by ~~ActewAGL~~the Service Provider as a result of the operation of a Carbon Scheme included in the Relevant Regulator's relevant final decision for that Financial Year ~~t-2~~.

2.4 Relevant Tax factor amount

The Relevant Tax factor amount for a Financial Year ~~t-2~~ is to be calculated as follows:

(a) the actual cost incurred by ~~ActewAGL~~the Service Provider in paying any Relevant Tax, for that Financial Year ~~t-2~~,

minus

(b) the forecast of the cost incurred by ~~ActewAGL~~the Service Provider in paying any Relevant Tax included in the Relevant Regulator's relevant final decision, for that Financial Year ~~t-2~~.

2.5 Cost Pass Through factor

$$PT_t = \frac{(1 + PT'_t)}{(1 + PT'_{t-1})} - 1$$

where:

PT'_{t-1} is:

- (a) zero when $t-1$ refers to Financial Year ~~2021+6/1722~~; and
- (b) the value of PT'_t determined in the Financial Year $t-1$ for all other Financial Years in the ~~2021+6~~ Access Arrangement Period,

and

$$PT'_t = \frac{AP_t}{(1 + CPI_t)(1 - X_t)(1 + A_t) \sum_{i=1}^n \sum_{j=1}^m p_{t-1}^{ij} q_{t-2}^{ij}}$$

where:

AP_t is

- (a) any Determined Pass Through Amount that the Relevant Regulator approves for Financial Year t ; and/or
- (b) any pass through amounts arising from pass through events (as that term is defined in the ~~2016-21~~ Access Arrangement ~~applying to ActewAGL immediately prior to this Access Arrangement~~) occurring in the ~~2016~~ Period that ~~ActewAGL~~ the Service Provider proposes to pass through in whole or in part in Financial Year t ,

adjusted to include an amount to reflect the time value of money between incurring the costs and recovering the costs, and exclude any amounts already passed through in Reference Tariffs; and

CPI_t has the same meaning as set out in clause 8.4;

X_t has the same meaning as set out in clause 8.4;

A_t is the automatic adjustment factor for Financial Year t as defined in this Schedule ~~14~~;

p_{t-1}^{ij} has the same meaning as set out in clause 1 of this Schedule 4; and

q_{t-2}^{ij} has the same meaning as set out in clause 8.4.

SCHEDULE 5: REFERENCE SERVICE AGREEMENT

The terms and conditions for the Reference Service are set out in the separate Reference Service Agreement, 1 July 20~~21~~¹⁶-30 June 20~~21~~¹⁶. The Reference Service Agreement, 1 July 20~~21~~¹⁶-30 June 20~~21~~¹⁶ forms part of this Access Arrangement.

SCHEDULE 6: INTERCONNECTION ~~OF EMBEDDED NETWORK SERVICE~~

~~ActewAGL~~The Service Provider ~~ordinarily will~~ provides the Interconnection ~~of Embedded Network Service~~ specified in clause 2.7 of the Access Arrangement on the following terms and conditions.²⁵

1. ~~Availability~~Requirements

- ~~(a) The Interconnection of Embedded Network Service is available to any Embedded Network Operator to establish a single Delivery Point connected to an Embedded Network.~~
- ~~(b) A Prospective User of an Interconnection of Embedded Network Service may request ActewAGL to provide and maintain an interconnection between a Delivery Point on the Network and a pipe or system of pipes constructed and operated by that Embedded Network Operator.~~

2. ~~MDQ and MHQ~~

- ~~(a) In addition to the general requirements set out in Schedule 2, when seeking the Interconnection Service, the Prospective User must:~~
 - ~~(i) The Embedded Network Operator will be required to specify an annual quantity, MHQ and MDQ which fairly reflects the expected maximum annual, Hourly and Daily requirements at the proposed Receipt Point or Delivery Point (as applicable), as well as the 24 hour profile of hourly flow ~~based on prior consumption where that information is available~~;~~
 - ~~(ii) demonstrate that it has or will have in place all relevant authorisations, approvals and licences required to operate the Downstream Network or Upstream Facility; and~~
 - ~~(+)(iii) provide detailed specifications, as reasonably requested by the Service Provider, including with respect to the design, operation and maintenance principles relevant to the Downstream Network or Upstream Facility.~~
- ~~(b) ActewAGL's maximum obligation to deliver gas to the Delivery Point under Reference Service Agreements with all Users is the MHQ in any Hour and the MDQ on any Day specified by the Embedded Network Operator and agreed by ActewAGL.~~
- ~~(c) In this clause:~~
 - ~~(i) **Hour** means any period of 60 consecutive minutes, the first hour in a Day starting at 06:30h and **Hourly** has a corresponding meaning; and~~
 - ~~(ii) **Daily** means a period of 24 consecutive Hours beginning at 06:30h.~~
- ~~(b) Without limiting the terms to be agreed in the Service Agreement, the Interconnection Service will be provided on the basis that:~~
 - ~~(i) the location of the Delivery Point or Receipt Point will be at a location agreed to by the Service Provider acting reasonably;~~

²⁵ The terms "Daily", "Hourly" and "Quantity" used in this Schedule have the meaning set out in the Reference Service Agreement.

- ~~(ii)~~ the Service Provider's maximum obligation to deliver Gas to the Delivery Point or to receive Gas at the Receipt Point will be the MHQ in any Hour and the MDQ on any Day;
- ~~(iii)~~ the Service Provider will not be liable for, and will be indemnified, with respect to any claim for loss or damage in connection with the Downstream Network or Upstream Facility; and
- ~~(iii)~~(iv) the relevant requirements in the Operational Schedule apply.

~~3.~~ **Metering**

- ~~(a)~~ ActewAGL will provide Measuring Equipment for the Delivery Point.
- ~~(b)~~ Measuring Equipment will be designed to accurately measure the quantities specified by the Embedded Network Operator and will provide daily meter reading.
- ~~(c)~~ The Measuring Equipment will be commissioned on the commencement of the first transportation service to the Embedded Network Delivery Point on behalf of any User.
- ~~(d)~~ The Measuring Equipment will be decommissioned when there is no agreement with any User under which a Service is provided to the Delivery Point.

~~4.~~ **Authorisation of Embedded Network**

- ~~(a)~~ Conditions precedent to ActewAGL providing an Embedded Network Service will include the Embedded Network Operator:
 - ~~(i)~~ having in place all relevant authorisations, approvals and licences required to operate the Embedded Network; and
 - ~~(ii)~~ entering into an agreement with ActewAGL for an Interconnection of Embedded Network Service.

~~(b)~~(c) For the avoidance of doubt, an Interconnection of Embedded Network Service is separate from and additional to a Service(s) requested by a Prospective User or any other person for the transportation of Gas through the Network (including the Reference Service) from the Receipt Point or to the Delivery Point to the Embedded Network Delivery Point.

~~5.~~ **Delivery Station and Delivery Point**

- ~~(a)~~ The location of the Embedded Network Delivery Point on the Network will be agreed by the Embedded Network Operator and ActewAGL. ActewAGL will only withhold its agreement to a location proposed by the Embedded Network Operator on the basis of legal, technical, operational or safety considerations.
- ~~(b)~~ The hot tap connection to connect the Delivery Station to the Network will be designed and constructed in accordance with ActewAGL's usual standards and requirements, including Australian Standard 2885.
- ~~(c)~~ The Delivery Station will comprise metering facilities sufficient to accurately measure the flow over the full range of anticipated flow conditions and will be

~~designed and constructed in accordance with ActewAGL's usual standards and requirements, including Australian Standard 2885. If the hot tap connection is located at a point on the Network where the maximum allowable operating pressure is above 1,050kPa, the Delivery Station will include a remotely controlled isolation valve.~~

- ~~(d) Unless otherwise specified by ActewAGL, the Delivery Point between the Network and the Embedded Network Operator's pipe or system of pipes will be at the flange immediately downstream of the Delivery Station described above.~~
- ~~(e) All facilities upstream of the outlet flange of the Delivery Station will be designed, procured, constructed, installed, owned and operated by ActewAGL at the reasonable cost of the Embedded Network Operator.~~
- ~~(f) All facilities downstream of the outlet flange of the Delivery Station will be the responsibility of the Embedded Network Operator.~~
- ~~(g) Modifications to the Delivery Station and hot tap connection to the Network which are required:
 - ~~(i) as a result of changes in law or applicable technical standards;~~
 - ~~(ii) to enable enhanced measurement performance; or~~
 - ~~(iii) as a result of changes in the flow conditions through the Embedded Network Delivery Point,~~~~

~~will be made by ActewAGL at the reasonable cost of the Embedded Network Operator unless ActewAGL has otherwise recovered the costs from Users of the Embedded Network Delivery Point.~~

~~6. Load Shedding~~

- ~~(a) The Embedded Network Operator will be subject to Load Shedding arrangements. The Embedded Network Operator must have facilities available to it to reduce or discontinue the withdrawal of gas if called upon to do so.~~
- ~~(b) Unless there is an agreement on Load Shedding between ActewAGL and the Embedded Network Operator, all load of the Embedded Network Operator will be subject to Load Shedding priority 2 as described in Schedule 7. Network transportation services for the delivery of gas to the Embedded Network Delivery Point will be subject to the same Load Shedding priority.~~
- ~~(c) The Embedded Network Operator will participate in gas balancing arrangements if required.~~

~~7. Cathodic Protection of Facilities~~

- ~~(a) The Embedded Network Operator must design, install, and operate, any cathodic protection system necessary to protect its Embedded Network at its own cost. Cathodic protection facilities must be installed in such a manner as to avoid any interference which may be detrimental to ActewAGL's facilities and must be electrically isolated from ActewAGL's facilities.~~

~~8. Installation and Operation~~

- ~~(a) In the interests of safety and ensuring the integrity of ActewAGL's pre-existing facilities, the Embedded Network Operator must cooperate with ActewAGL to establish, in a timely manner, appropriate arrangements and procedures for the safe installation and operation of the Embedded Network Operator's facilities, and for the management of emergency situations involving those facilities and the Network.~~

~~9. Abandonment/Disconnection~~

- ~~(a) In the event that facilities cease to be used to take gas at the Embedded Network Delivery Point then ActewAGL will, at the Embedded Network Operator's expense, ensure that the facilities are disconnected and isolated from ActewAGL's facilities. This requirement does not apply where the cessation of use is temporary.~~

~~10. Approvals and Indemnity~~

- ~~(a) The Embedded Network Operator will provide ActewAGL with evidence that it has fulfilled all applicable statutory requirements and that it holds all necessary permits and licences in relation to its facilities downstream of the Embedded Network Delivery Point. That evidence must be provided before the commencement of any service to the Delivery Point, as well as subsequently, following ActewAGL's reasonable request.~~
- ~~(b) The Embedded Network Operator will be liable for and indemnify ActewAGL against any Loss in relation to or arising out of those facilities, except to the extent that such Loss was caused by the negligence or wilful default of ActewAGL.~~

11.2. Charges

- (a) The following charges will be payable by the Prospective User, as will be agreed between the Embedded Network Operator and by ActewAGL the Service Provider:
- (i) ~~€~~Charge for engineering and associated investigations;
 - (ii) ~~c~~Charge for construction and provision of interconnection facilities;
 - (iii) charge for the construction and provision of equipment and facilities required to measure the Quantity of Gas delivered to or at the Delivery Point or Receipt Point~~Measuring Equipment~~.
- (b) In addition, modifications may be required to the Network and/or the Service Provider's systems to facilitate the provision of Interconnection Services. These requirements will vary depending on the nature and location of the Delivery Point or Receipt Point. The Prospective User will bear the reasonable costs of such modifications, whether identified before or after installation of the Delivery Point or Receipt Point, unless the Service Provider can recover costs from Users of the Delivery Point or Receipt Point.

SCHEDULE 7: OPERATIONAL SCHEDULE

1. Load Shedding

1.1 Load Shedding Principles

- (a) ~~Load Shedding is defined as a controlled interruption to, or reduction in, the delivery of gas to Delivery Points.~~ If at any time for any reason there is, or ~~ActewAGL~~the Service Provider reasonably believes or anticipates that there may be, a failure of supply or shortfall in supply in or to any part of the Network, ~~ActewAGL~~the Service Provider is entitled to curtail or interrupt the receipt, transportation or delivery of ~~g~~Gas and ~~is entitled to implement~~ Load Shedding.
- (b) Load Shedding includes the process of the Service Provider contacting Users and/or ~~User's e~~Customer's sites to notify them of a requirement to reduce or cease withdrawals of ~~g~~Gas from the Network, and again when the requirements are lifted or relaxed. All Users of the Network and their Customers are required to participate in and comply with Load Shedding and the provision of ELMS ~~d~~Data.
- (c) For prompt and effective responses during emergency events it is necessary for Users, if requested by the Service Provider, to take responsibility for notifying their ~~e~~Customers to reduce ~~Gas withdrawals~~Load to meet the Load Shedding requirements for each site. ~~The Service Provider may also e~~contact Customers of individual sites by ActewAGL is used to support and reinforce ~~the~~ site contact procedures ~~where deemed necessary by ActewAGL to generate~~ and monitor required levels and timeliness of ~~User's e~~Customer responses.

1.2 Load Shedding Priorities

Load Shedding will be implemented by ~~ActewAGL~~the Service Provider according to the following schedule of priorities:

Load Shedding Priority	Load Type
1	All interruptible Loads.
2	All Load at a Delivery Point which serves more than one e <u>Customer</u> or other-end user <u>End Consumer</u> , and where no arrangement exists between ActewAGL <u>the Service Provider</u> and the operator of the facilities beyond the Delivery Point for shedding loads served by those facilities.
3	All Load at sites where g <u>Gas</u> is not used for production.
4	All Load at sites where Load is transferable to an alternative fuel.
5	Load that may be reduced without damage to product or plant.
6	Load that may be halted without damage to product or plant.

7	Load where halting will cause product damage.
8	Load where halting will cause plant damage
9	Load not transferable to alternative fuel at hospital and essential service sites.
10	All Load at Volume Tariff Delivery Points expected to consume less than 10 TJ per annum (Residential, Commercial and Industrial).

1.3 Restoration of Service

Where feasible, permission to resume withdrawing gGas from the Network will be restored-given in reverse order to that in which Load Shedding was implemented.

1.4 Suspension

If a User fails to cease or reduce deliveries, withdrawals or taking of gGas from the Network as requested by AetewAGLthe Service Provider in accordance with these principles and their Reference Service Agreement (or fails to procure that withdrawals be ceased or reduced), AetewAGLthe Service Provider may suspend the delivery of gGas to any relevant Delivery Point.

1.5 Liability

AetewAGLThe Service Provider will not be liable for any Losses incurred by ~~the any~~ User ~~and/or a User's eCustomer~~ or End Consumer arising from Load Shedding, where AetewAGLthe Service Provider acts in accordance with the principles of this Access Arrangement in good faith except to the extent that such Losses were caused by the negligence or wilful default of AetewAGLthe Service Provider.

1.6 Emergency Load Management Systems (ELMS)

- (a) ELMS are computer based systems used by AetewAGLthe Service Provider as an aid in identifying, contacting and recontacting User's and Customers sites by AetewAGLthe Service Provider in the event of a supply failure. Information held by AetewAGLthe Service Provider relating to a User's Customer is available to the User upon request.
- (b) Site and Network information is maintained through ELMS, in consultation with Users, and is used as the basis of operational implementation of Load Shedding by AetewAGLthe Service Provider.
- (c) Users must advise AetewAGLthe Service Provider of the emergency contact details for the User's Customers at Demand Customer ~~d~~ Delivery pPoints and Delivery Points at which Negotiated-Non-Reference Services are provided and must ensure that such contact details are current at all times for the purposes of ELMS.
- (d) Users must advise AetewAGLthe Service Provider of the emergency contact details for the User to enable communication between AetewAGLthe Service Provider and the User during Load Shedding. User emergency contact personnel must be available to assist AetewAGLthe Service Provider during Load Shedding if required.

- (e) If during a Load Shedding event, or simulation of a Load Shedding event, ~~ActewAGL~~ the Service Provider ~~determines-identifies~~ that site or ~~User's~~ eCustomer details have changed or do not match ~~ActewAGL~~ the Service Provider's records, ~~ActewAGL~~ the Service Provider may update its records on the basis of advice from the site or the ~~User's~~ Customer. ~~The User may then confirm the contact information provided.~~ This does not affect the Users' obligation to provide accurate and current information in any way.

2. Establishment of Receipt Points Requirements for new Receipt Points being established under an Interconnection Service

2.1 ~~Receipt Points~~

- (a) ~~Any person (including a User or Prospective User) seeking to interconnect with the Network for the purpose of enabling a User or Prospective User to deliver gas to the Network for onward transportation may seek to establish a new Receipt Point.~~
- (b) ~~A new Receipt Point may only be established on the Network if ActewAGL consents to the proposed location of the new Receipt Point. ActewAGL will only withhold its consent to a proposed location of a new Receipt Point on the basis of technical, operational or safety considerations.~~
- (c) ~~The person seeking to establish a new Receipt Point must enter into an agreement with ActewAGL covering, without limitation, the matters set out in clauses 2.2, 2.3 and 2.4.~~

2.2.1 Minimum requirements for new Receipt Points and Equipment Upstream

- (a) The ~~new~~ Receipt Point, and the pipe or system of pipes upstream of the ~~new~~ Receipt Point, must comply with the following requirements in order to ensure that the integrity, safety and operating ability of the Network is not compromised:
- (i) the new Receipt Point must have an associated Receipt Station (as described in ~~the Reference Service Agreement~~ section 3 of this Schedule 7);
- (ii) to safeguard against the hazards of over pressurisation of the Network, the Receipt Station must be equipped with overpressure protection facilities in accordance with ~~ActewAGL~~ the Service Provider's usual standards and requirements, including Australian Standard 2885, at the expense of the ~~Prospective User~~ person seeking to establish the new Receipt Point;
- (iii) a remotely controlled isolation valve operable by ~~ActewAGL~~ the Service Provider must be installed at the outlet of the Receipt Station upstream of the new Receipt Point, at the expense of the ~~Prospective User~~ person seeking to establish the new Receipt Point;

- (iv) the new Receipt Point will be at the flange immediately upstream of the facilities described above, or as otherwise agreed by ~~AetwAGL~~ the Service Provider. All facilities upstream of the new Receipt Point will be the responsibility of the ~~Prospective User~~ person seeking to establish the new Receipt Point;
- (v) the operational mode of a Receipt Station for a new Receipt Point must be compatible with the operational mode of the Network; and
- (vi) the hot tap connection to connect the facilities to the Network will be designed and constructed with ~~AetwAGL~~ the Service Provider's usual standards and requirements, including Australian Standard 2885, at the expense of the ~~Prospective User~~ person seeking to establish the new Receipt Point;
- ~~(vii) Modifications may be required to the Network and/or AetwAGL systems to integrate the new Receipt Point into the operation of the Network. Requirements will vary depending on the location of the new Receipt Point. The party seeking to establish the new Receipt Point will bear the reasonable costs of such modifications, whether identified before or after installation of the new Receipt Point unless AetwAGL can recover them from Users of the new Receipt Point.~~

2.32.2 Cathodic Protection of Facilities

The ~~Prospective User~~ person seeking to establish the new Receipt Point must design, install, and operate, any cathodic protection system necessary to protect its facilities at its own cost. Cathodic protection facilities must be installed in such a manner as to avoid any interference which may be detrimental to ~~AetwAGL~~ the Service Provider's facilities and must be electrically isolated from ~~AetwAGL~~ the Service Provider's facilities.

2.3 Equipment and facilities at Receipt Station

- ~~(a) The Receipt Station associated with the Receipt Point must include equipment and facilities as required by part 3 of this Schedule 7, and such equipment and facilities must be commissioned before the commencement of the first transportation service from the Receipt Point on behalf of any User.~~
- ~~(b) Any such equipment or facilities will be decommissioned if there is no Service Agreement under which the Interconnection Service is provided in respect of the Receipt Point.~~

2.4 Installation and Operation

In the interests of safety and ensuring the integrity of ~~AetwAGL~~ the Service Provider's ~~pre-existing~~ facilities, the ~~Prospective User~~ person seeking to establish the new Receipt Point must cooperate with ~~AetwAGL~~ the Service Provider to establish, in a timely manner, appropriate arrangements and procedures for:

- (a) _____the safe installation and operation of the facilities described above;
- (b) _____ the testing of Gas in accordance with the Service Provider's requirements; and
- (c) _____ ~~for~~the management of emergency situations involving those facilities and the Network.

2.5 Gas specification

- (a) _____ Gas to be injected into the Network through a Receipt Point must comply with the specification applicable under the Reference Service Agreement from time to time (the **Specification**).
- (b) _____ Where the Service Provider changes the specification under the Reference Service Agreement, the Service Provider must use reasonable endeavours to notify the Prospective User prior to any change.

2.6 Measurement of quality

The Prospective User must provide the following:

- (a) _____ evidence to the satisfaction of the Service Provider that facilities and management plans will exist to enable satisfactory measurement of the quality of Gas at the Receipt Point;
- (b) _____ facilities to enable the Service Provider to monitor continuously the quality of Gas at the Receipt Point;
- (c) _____ evidence that quality measurement equipment at the Receipt Point will be maintained and calibrated in accordance with good industry practice and appropriate Australian and internationally recognised standards; and
- (d) _____ access to maintenance records for any quality measurement equipment at the Receipt Point.

2.7 Preventative measures

The Prospective User must satisfy the Service Provider that the Prospective User has or will have appropriate contractual or other legal rights and management procedures in place to prevent Gas which does not meet the Specification being injected into the Network at the Receipt Point.

2.8 User responsible for Gas testing

The Prospective User must:

- (a) _____ test the Gas; or
- (b) _____ cause the Gas to be tested,

in accordance with the requirements of the Reference Service Agreement from time to time.

3. Requirements for new and existing Receipt Stations

3.1 Receipt Station to be at each Receipt Point

Prior to establishing, taking Gas at or using any relevant Receipt Point, Users must ensure that there is a Receipt Station at each Receipt Point that:

- (a) is in physical operation at the Receipt Point;
- (b) is immediately upstream of any connection to the Network; and
- (c) meets the requirements of this part 3.

For the avoidance of doubt, the requirements in this part 3 also apply to a Prospective User seeking to establish a new Receipt Point under an Interconnection Service.

3.2 Requirements for Receipt Stations

Users must ensure that a Receipt Station referred to in clause 3.1:

- (a) complies with specifications approved by the Service Provider from time to time; and
- (b) conforms with the technical requirements for such facilities set out in this Access Arrangement or as published from time to time by the Service Provider, which requirements will be in accordance with good industry practice for this type of facility and conform to appropriate Australian and internationally recognised standards and codes (including AS2885).

3.3 Approval of for Receipt Stations

- (a) Users must, at least 20 Business Days prior to installation or modification of a Receipt Station, submit specifications comprising design, operation and maintenance principles to the Service Provider.
- (b) The User must not install or modify a Receipt Station unless and until the Service Provider gives written approval (which must not be unreasonably withheld or delayed) to the specifications submitted to it by the User.

3.4 Systems at a Receipt Station

Except to the extent to which the Service Provider has agreed to provide them, the Service Provider may require the User to provide any or all of the following systems at a Receipt Station:

- (a) a filtration and liquid separation system (Filtration and Liquid Separation System);
- (b) a Gas quality measurement system (Gas Quality Measurement System);
- (c) a flow and pressure control system (Flow and Pressure Control System);
and

(d) if the Service Provider reasonably requires, a Gas quantity measurement system (Gas Quantity Measurement System),

in accordance with the requirements set out in parts A-D below.

A. Filtration and Liquid Separation System

The Receipt Station shall include a Filtration and Liquid Separation System which meets the following requirements:

- (a) the filter and separator shall not be fitted with a bypass;
- (b) a minimum of 2 parallel filter and separator runs are to be installed, each capable of treating the MHQ of the Receipt Station at the lowest inlet pressure;
- (c) the Gas filter shall be capable of removing all solid particles greater than 1 micrometre in diameter;
- (d) the liquid separator shall remove all liquids travelling in the Gas stream; and
- (e) the filter differential pressures and the liquid level of the separator holding vessel shall be continuously measured and the signals telemetered to the SCADA system.

B. Gas Quality Measurement System

B.1 Requirements of Gas Quality Measurement System

The Receipt Station shall include a Gas Quality Measurement System which enables the following measures of Gas quality to be determined continuously and telemetered in real time to the SCADA system:

- (a) outlet temperature;
- (b) relative density;
- (c) Heating Value (as defined in the Reference Service Agreement);
- (d) water dew point;
- (e) carbon dioxide content;
- (f) hydrocarbon dew point;
- (g) oxygen content;
- (h) total sulphur content;
- (i) hydrogen sulphide content; and
- (j) odorant content.

B.2 Measurement other than at a Receipt Station

- (a) If the Service Provider consents, qualities other than the Gas outlet temperature may be measured at a location other than the Receipt Point. The Service Provider shall be entitled to withhold its consent if it reasonably believes that measurement at such other location will not give a true indication of the quality of Gas being delivered at the Receipt Point.
- (b) If the Service Provider has consented to any quality being measured at a location other than the Receipt Point, the Service Provider may at any later time withdraw that consent and require the quality to be measured at the Receipt Point if it believes that measurement at such other location is not giving a true indication of the quality of Gas being delivered at the Receipt Point.
- (c) If measured other than at a Receipt Station, all equipment used for measuring the qualities of Gas shall be designed, maintained and calibrated in accordance with good engineering practice and industry standards as agreed by the Service Provider.

B.3 Calibration and testing of equipment

- (a) The Service Provider may at any time require the User to test or calibrate the Gas Quality Measurement System.
- (b) The Service Provider is entitled to be present at a test or calibration of equipment and to receive copies of all test results.
- (c) The Service Provider shall bear the costs of a test or calibration if the test or calibration results show that the Gas Quality Measurement System was accurate within the tolerances agreed between the Service Provider and the User.
- (d) If the Gas Quality Measurement System is being tested or calibrated other than under paragraph (a) above:
 - (i) the User shall notify the Service Provider of the timing of such testing or calibration;
 - (ii) the Service Provider is entitled to attend such testing or calibration; and
 - (iii) promptly after receiving the results of such testing or calibration, the User must provide the Service Provider with a copy of those results.

C. Gas Quantity Measurement System

- (a) A Receipt Station shall include a Gas Quantity Measurement System which ensures that continuous measurement is maintained in the event of routine calibration, equipment maintenance, individual equipment malfunction, loss of external electricity supplies or loss of telemetry signals.
- (b) The Gas Quality Measurement System must be such that the Primary Measurements and Secondary Measurements required to convert the Primary Measurement to Standard Conditions and to calculate the Quantity of Gas are duplicated. The individual Primary and Secondary Measurements as well as the

calculated Quantity of Gas shall be telemetered in real time to the SCADA system.²⁶

- (c) The Service Provider may at any time require the User to test or calibrate the Gas Quantity Measurement System.
- (d) The Service Provider is entitled to be present at a test or calibration and to receive copies of all test results.
- (e) The Service Provider shall bear the costs of a test or calibration if the test or calibration results show that the Gas Quantity Measurement System was accurate to within the tolerances agreed between the Service Provider and the User.
- (f) If the Gas Quantity Measurement System is being tested or calibrated other than under paragraph (c) above;
 - (i) the User shall notify the Service Provider of the timing of such testing or calibration;
 - (ii) the Service Provider is entitled to attend such testing or calibration; and
 - (iii) promptly after receiving the results of such testing or calibration, the User shall provide the Service Provider with a copy of those results.

D. Flow and Pressure Control System

- (a) The Flow and Pressure Control System shall be designed to:
 - (i) prevent over-pressure of the Network;
 - (ii) provide control of the Network pressures and inflows;
 - (iii) prevent backward flow through the Receipt Station;
 - (iv) enable the operation and balancing of a particular part of the Network when more than one Receipt Station supplies that part; and
 - (v) enable the immediate termination of supply.
- (b) The Service Provider may on giving reasonable notice to the User:
 - (i) operate at the cost (such costs to be reasonable) of the User the Flow and Pressure Control System of any Receipt Station which is not owned by the Service Provider; and/or
 - (ii) modify the extent of the flow and pressure control requirements referred to in paragraph D(a) above applicable to any existing or proposed Receipt Station and require the User to undertake such work as, in the reasonable opinion of the Service Provider, is necessary to ensure that the Receipt Station complies with such modified requirements.

²⁶

Refer to the Reference Service Agreement for definitions of “Primary Measurements”, “Secondary Measurements”, “Standard Conditions” and “Quantity of Gas”.

4. Requirements for new Delivery Points being established under an Interconnection Service

4.1 Measurement Equipment

- (a) The Service Provider will provide Measuring Equipment (as defined in the Reference Service Agreement) relevant to the Delivery Point.
- (b) The Measuring Equipment will be:
 - (i) designed to accurately measure the quantities specified by the Prospective User and provide daily meter reading; and
 - (ii) commissioned before the commencement of the first transportation service to the Delivery Point.
- (c) The Measuring Equipment will be decommissioned by the Service Provider if there is no Service Agreement in respect of the Interconnection Service for that Delivery Point.

4.2 Delivery Station and Delivery Point

- (a) The Delivery Station will comprise metering facilities sufficient to accurately measure the flow over the full range of anticipated flow conditions and will be designed and constructed in accordance with the Service Provider's usual standards and requirements, including Australian Standard 2885.
- (b) If the hot tap connection to connect the Delivery Station at the Delivery Point to the Network is located at a point on the Network where the maximum allowable operating pressure is above 1,050kPa, the Delivery Station will include a remotely controlled isolation valve.
- (c) The hot tap connection to connect the Delivery Station at the Delivery Point to the Network will be designed and constructed in accordance with the Service Provider's usual standards and requirements, including Australian Standard 2885.
- (d) Unless otherwise specified by the Service Provider, the Delivery Point between the Network and the Prospective User's pipe or system of pipes will be at the flange immediately downstream of the Delivery Station. Accordingly, all facilities:
 - (i) upstream of the outlet flange of the Delivery Station will be designed, procured, constructed, installed, owned and operated by the Service Provider at the reasonable cost of the Prospective User; and
 - (ii) downstream of the outlet flange of the Delivery Station will be the responsibility of the Prospective User.
- (e) Modifications to the Delivery Station and hot tap connection to the Network which are required:
 - (i) as a result of changes in the Applicable Law or applicable technical standards;
 - (ii) to enable enhanced measurement performance; or

(iii) as a result of changes in the flow conditions through the Delivery Point,

will be made by the Service Provider at the reasonable cost of the Prospective User unless the Service Provider has otherwise recovered the costs from Users of the Delivery Point.

4.3 Load Shedding

- (a) The Delivery Point will be subject to Load Shedding arrangements set out in part 1 of this Schedule. The Prospective User must have facilities available to it to reduce or discontinue the withdrawal of Gas if called upon to do so.
- (b) Unless there is an agreement on Load Shedding between the Service Provider and the Prospective User, all load of the Delivery Point will be subject to Load Shedding priority 2 as described in part 1 of this Schedule. Network transportation services for the delivery of Gas to the Delivery Point will be subject to the same Load Shedding priority.
- (c) The Prospective User will participate in Gas balancing arrangements if required.

4.4 Cathodic Protection of Facilities

The Prospective User must design, install, and operate, any cathodic protection system necessary to protect its Downstream Network at its own cost. Cathodic protection facilities must be installed in such a manner as to avoid any interference which may be detrimental to the Service Provider's facilities and must be electrically isolated from the Service Provider's facilities.

4.5 Installation and Operation

In the interests of safety and ensuring the integrity of the Service Provider's facilities, the Prospective User must cooperate with the Service Provider to establish, in a timely manner, appropriate arrangements and procedures for the safe installation and operation of the Prospective User's equipment and facilities, and for the management of emergency situations involving that equipment and facilities, and the Network.

4.6 Abandonment/Disconnection

In the event that facilities cease to be used to take Gas at or downstream of the Delivery Point, then the Service Provider will, at the Prospective User's expense, ensure that the User's facilities are disconnected and isolated from the Service Provider's facilities. This requirement does not apply where the cessation of use of the Delivery Point is temporary.

SCHEDULE 8: RECEIPT POINT PRESSURES

1. ~~ActewAGL~~The Service Provider will notify Users of changes to the requirements set out in this Schedule 8, and publish the updated Schedule on its website. ~~ActewAGL~~The Service Provider may also add minimum or maximum flow requirements for flow controlled Receipt Points.

Upstream Facility pipeline (Allows receipt of g Gas from this asset, which does not form part of the Network)	Receipt Point	Minimum Receipt Pressure at the Receipt Point (kPa)	Maximum Receipt Pressure at the Receipt Point (kPa)	Areas of Network downstream of Receipt Point
Moomba to Sydney Pipeline (MSP)	Watson	2,400	6,895	The Network except Bungendore
Eastern Gas Pipeline (EGP)	Hoskinstown	8,000	14,895	The Network

SCHEDULE 9: CESS CONTINGENT PAYMENT INDEX

The Contingent Payment Index is calculated for the Access Arrangement Period as follows:

- (a) Calculate the arithmetic average of the annual unplanned SAIFI per 1,000 customers for each of the four Financial Years from 1 July 2021 to 30 June 2025, measured for each year t as follows:

$$\text{Unplanned SAIFI}_t = \frac{\sum_{i=1}^{12} \text{OUF}_i^t}{(C^{t-1} + C^t)/2} \times 1000$$

where:

$\sum_{i=1}^{12} \text{OUF}_i^t$ is the summation of the count of outage events for all customers on the Network sourced from annual reporting to the Relevant Regulator for the 12 months in Financial Year t ;

C^{t-1} is the total customer numbers on the Network at the end of the Financial Year $t - 1$ sourced from annual reporting to the Relevant Regulator;

C^t is the total customer numbers on the Network at the end of the Financial Year t sourced from annual reporting to the Relevant Regulator.

- (b) Calculate the arithmetic average of the annual unplanned SAIDI per 1,000 customers for each of the four Financial Years from 1 July 2021 to 30 June 2025, measured for each year t as follows:

$$\text{Unplanned SAIDI}_t = \frac{\sum_{i=1}^{12} \text{OUD}_i^t}{(C^{t-1} + C^t)/2} \times 1000$$

where:

$\sum_{i=1}^{12} \text{OUD}_i^t$ is the summation of the total number of customer hours off supply lost through unplanned losses of supply for all instances on the Network where 5 or more customers were affected for the 12 months in Financial Year t ;

C^{t-1} is the total customer numbers on the Network at the end of the Financial Year $t - 1$ sourced from annual reporting to the Relevant Regulator; and

C^t is the total customer numbers on the Network at the end of the Financial Year t sourced from annual reporting to the Relevant Regulator.

- (c) Calculate the arithmetic average of the annual publicly reported leaks for mains and services per kilometre of main in the Network for each of the four Financial Years from 1 July 2021 to 30 June 2025, measured for each year t as follows:

$$\text{Mains + Services Leaks}_t = \frac{\sum_{i=1}^{12} \text{MAL}_i^t + \sum_{i=1}^{12} \text{SEL}_i^t}{(L^{t-1} + L^t)/2}$$

where:

$\sum_{i=1}^{12} MAL_i^t$ is the summation of the total number of publicly reported mains leaks on the Network sourced from annual reporting to the Relevant Regulator for the 12 months in Financial Year t ;

$\sum_{i=1}^{12} SEL_i^t$ is the summation of the total number of publicly reported services leaks on the Network sourced from annual reporting to the Relevant Regulator for the 12 months in Financial Year t ;

L^{t-1} is the total length of mains in the Network at the end of the Financial Year $t - 1$ sourced from annual reporting to the Relevant Regulator; and

L^t is the total length of mains in the Network at the end of the Financial Year t sourced from annual reporting to the Relevant Regulator.

- (d) Calculate the arithmetic average of the annual publicly reported leaks for meters per 1,000 customers for each of the four Financial Years from 1 July 2021 to 30 June 2025, measured for each year t as follows:

$$MeterLeaks_t = \frac{\sum_{i=1}^{12} MTL_i^t}{(C^{t-1} + C^t)/2} \times 1000$$

where:

$\sum_{i=1}^{12} MTL_i^t$ is the summation of the total number of publicly reported meter leaks on the Network sourced from annual reporting to the Relevant Regulator for the 12 months in Financial Year t ;

C^{t-1} is the total customer numbers on the Network at the end of the Financial Year $t - 1$ sourced from annual reporting to the Relevant Regulator; and

C^t is the total customer numbers on the Network at the end of the Financial Year t sourced from annual reporting to the Relevant Regulator.

- (e) Convert each of the averages from the measures in paragraphs (a), (b), (c) and (d) above into index scores using the following formula:

$$Index_n = 200 - \left(\frac{Actual_n}{Target_n} \right) \times 100$$

where:

$Index_n$ is the index score for each measure $n = 1,2,3,4$ corresponding to the measures in paragraphs (a), (b), (c) and (d) above respectively;

$Actual_n$ is the arithmetic average of the actual performance for each measure $n = 1,2,3,4$ calculated as per paragraphs (a), (b), (c) and (d) above;

$Target_n$ is the arithmetic average of the actual performance for each measure $n = 1,2,3,4$ as follows:

<u>Unplanned SAIFI</u>	<u>$n = 1$</u>	<u>$Target_1 = 0.6562$</u>
<u>Unplanned SAIDI</u>	<u>$n = 2$</u>	<u>$Target_2 = 2.4357$</u>
<u>Mains and services leaks</u>	<u>$n = 3$</u>	<u>$Target_3 = 0.0504$</u>
<u>Meter leaks</u>	<u>$n = 4$</u>	<u>$Target_4 = 11.8062$</u>

(f) Calculate the weighted average of the index scores calculation in paragraph (e) above for each of the measures $n = 1,2,3,4$ according to the following weights:

<u>Unplanned SAIFI</u>	<u>$n = 1$</u>	<u>30%</u>
<u>Unplanned SAIDI</u>	<u>$n = 2$</u>	<u>30%</u>
<u>Mains and services leaks</u>	<u>$n = 3$</u>	<u>20%</u>
<u>Meter leaks</u>	<u>$n = 4$</u>	<u>20%</u>

(a)(g) The resulting average calculated in paragraph (f) is the Contingent Payment Index.

(h) The arithmetic average calculated in paragraph (b) will be adjusted to remove the impact of material events that are outside of the Service Provider's control such as natural disasters. For instance, if an annual observation is so affected, then it will be adjusted to remove the reasonably estimated impact of such an event (i.e. specified in hours).

SCHEDULE 10: NETWORK MAP

