

Form#: 564921

18 October 2012

Memorandum

To: **CEO – Michael Costello**
Through: **General Manager Asset Management – Stephen Devlin**
From: **Manager Gas Networks – Macleay Connelly**
Subject: **APPROVAL – SUBMISSION OF THE 2011/12 GAS COMPLIANCE REPORT TO THE AER.**

Approved by:
.....
General Manager Asset Management

Date

18/10/12


.....
Chief Executive Officer

Date

19/10/12

PURPOSE

This memo seeks approval from the CEO to submit the ActewAGL Distribution 2011/12 Annual Gas Compliance Report to the Australian Energy Regulator.

BACKGROUND

Under the Annual Compliance Order issued by the Australian Energy Regulator (AER) Providers of covered pipeline services delivered via a distribution pipeline are required to submit an Annual Compliance Report declaring compliance with the National Gas Law (Gas Law), National Gas Rules (Gas Rules) and associated regulations. In accordance with these requirements ActewAGL Distribution submits an Annual Compliance Report for the Australian Capital Territory (ACT), Queanbeyan and Palerang gas distribution networks in October of each year. This report is accompanied by an associated statement of compliance.

CURRENT SITUATION

ActewAGL has prepared the Annual Compliance Report for the 2011/12 period along with required supporting documentation as attached, to be submitted to the AER by October 31, 2012. This report has found no material issues that adversely affect ActewAGL's licence and that ActewAGL has complied with all necessary conditions as stipulated by the AER.

RECOMMENDATION

It is recommended that the CEO approve by signing the attached letter to the Australian Energy Regulator.

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Macleay Connelly
Manager Gas Networks

ATTACHMENTS

1. AER Gas Compliance Report – Final.
2. AER Gas Compliance Report – Statement of Compliance.
3. AER Gas Compliance Report – Cover Letter.
4. ActewAGL Organisational Structure.
5. ActewAGL Joint Venture Summary Financial Report
6. ActewAGL Code of Conduct (Confidential – not to be distributed)
7. ActewAGL Ring Fencing Policy (Confidential – not to be distributed)
8. ActewAGL Records Management Policy (Confidential – not to be distributed)
9. ActewAGL Information Technology Security Policy (Confidential – not to be distributed)
10. ActewAGL Security Policy (Confidential – not to be distributed)

31 October 2012

Mr Andrew Reeves
Chairman
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

Dear Mr Reeves

ActewAGL 2011 - 12 Annual Gas Compliance Report

In accordance with its requirements under the Annual Compliance Order issued by the Australian Energy Regulator (AER) on Service Providers of covered pipeline services provided by a distribution pipeline, ActewAGL Distribution submits its 2011-12 Annual Compliance Report for the Australian Capital Territory (ACT), Queanbeyan and Palerang gas distribution networks.

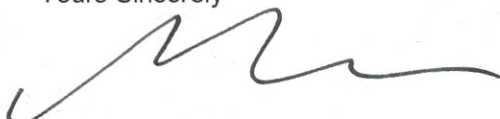
The Annual Compliance Order made by the AER under section 48(1)(b) of the *National Gas Law* applies to Service Providers of covered pipeline services. ACTEW Distribution Ltd and Jemena Networks (ACT) Pty Ltd are Service Providers for the covered ACT and Greater Queanbeyan gas distribution network under the meaning of section 8 of the *National Gas Law*. The Service Providers operate through a partnership - ActewAGL Distribution (ABN 76 670 568 688) - and jointly own, control and operate the network through the ActewAGL Distribution Partnership.

The accompanying Compliance Report relates to the 1 July 2011 - 30 June 2012 compliance period and satisfies the obligations of ACTEW Distribution Ltd and Jemena Networks (ACT) Pty Ltd in complying with the AER's Annual Compliance Order. It also contains the required Statement of Compliance.

ActewAGL Distribution notes that the AER's Annual Compliance Guideline provides an approach for dealing with confidential material. ActewAGL Distribution considers that the policies provided in Attachments C through G of the 2011-12 Compliance Report are confidential, and has marked these documents in accordance with the Guideline.

Please contact Mr Janusz Worony, Manager Technical Regulation and Standards on (02) 6293 5871 if you have any questions regarding the information provided in ActewAGL Distribution's 2011-2012 Gas Compliance Report.

Yours Sincerely



Michael Costello
Chief Executive Officer

31 October 2012

Statement of Compliance

ActewAGL Distribution 2011-12 Gas Compliance Report

I verify that, to the best of my knowledge and belief, the information and documentation provided by ActewAGL Distribution in compliance with the Annual Compliance Order made by the Australian Energy Regulator under s.48(1) of the National Gas Law is:

- (a) accurate and can be relied on to provide a true and fair representation of ActewAGL Distribution's operations or ownership of a pipeline that can be relied upon by the AER in the performance or exercise of its functions or powers under the NGL or the NGR;
- (b) in reliance on information and documentation that is prepared, kept or maintained and is accurately represented;
- (c) not false or misleading; and
- (d) in accordance with the Order and is complete.

Signed



Michael Costello
Chief Executive Officer
ActewAGL

19 October 2012