

Jemena Gas Networks (NSW) Ltd

JGN 2014 annual RIN submission

Attachment 1 to cover letter

Confidentiality claims

Public

14 November 2014



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1. CONFIDENTIALITY CLAIMS

Table 1-1 sets out specific sections of JGN's 2014 annual Regulatory Information Notice (RIN) response that JGN claims to be commercial-in-confidence and the basis of the claim.

JGN has applied the rationale for claiming information as commercial-in-confidence as set out in the AER's confidentiality guideline.

JGN has provided reasons detailing how and why disclosure of the information would cause detriment to the business. JGN understands that this confidential information being available to the AER to perform its functions under the rules provides a public benefit. JGN has assessed that, in all identified cases, JGN's confidentiality reasons, together with the benefits already realised through the AER's confidential use of this data, are not outweighed by any additional public benefit to disclosure of the information.

JGN has marked confidential information in documents by containing the information in square brackets, starting with c-i-c and highlighting in yellow where this is possible for example [c-i-c...].

JGN has marked confidential information in spreadsheets by formatting the cells as [c-i-c].

Table 1–1: JGN 2014 annual RIN response confidentiality claims

Title, page and paragraph number of document	Description of the confidential information	Topic the confidential information relates to	Confidentiality category	Why the confidential information falls into the selected category	How and why detriment would be caused from disclosing the confidential information	Reasons supporting why the identified detriment is not outweighed by the public benefit
2014 Annual Regulatory Information Notice submission. Page 4, section 1.4.4.	Details of SPIAA Group debt funding.	Cost of debt	Market sensitive cost inputs.	Jemena's cost of debt impacts the financing costs of its capex programs.	Releasing the information into the public domain would weaken Jemena's negotiation power with different lenders during refinancing or hedging process.	Jemena's customers would be disadvantaged by facing higher long-term costs if Jemena's negotiation power with lenders is weakened.
2014 Annual Regulatory Information Notice submission. Page 8, section 2.4.2.	The annual quantity of gas transported to end customers relating to non-reference services.	Capex.	Personal information.	The information relates to individual customers' load levels.	There are only a small number of customers on non-reference services and their individual load may be inferred from this data, therefore exposing their commercial interest.	Revealing individual customer load levels would undermine the ability to achieve the recognised benefits to all customers provided by offering prudent discounts given customers would be less willing to enter such agreements.

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2014 Annual Regulatory Information Notice submission. Page 15, section 6.1.1.	Details of SPIAA Group debt funding.	Cost of debt.	Market sensitive cost inputs.	Jemena's cost of debt impacts the financing costs of its capex programs.	Releasing the information into the public domain would weaken Jemena's negotiation power with different lenders during refinancing or hedging process.	Jemena's customers would be disadvantaged by facing higher long-term costs if Jemena's negotiation power with lenders is weakened.
2014 Annual Regulatory Information Notice submission. Page 16, section 6.2.2.	Details of SPIAA Group debt funding.	Cost of debt.	Market sensitive cost inputs.	Jemena's cost of debt impacts the financing costs of its capex programs.	Releasing the information into the public domain would weaken Jemena's negotiation power with different lenders during refinancing or hedging process.	Jemena's customers would be disadvantaged by facing higher long-term costs if Jemena's negotiation power with lenders is weakened.

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RIN response template, Sheet 1. Opex, Cells D13 – D31	Actual values by Enterprise Support Function Category	Opex – administration and overheads	Market sensitive cost inputs	Information relates to JGN's administration and overhead costs by category.	The quantum expenditure and associated allocations can be used to calculate the apportionment of overheads to different service groups. Expenditure overheads allocated to service groups is commercially confidential as it could jeopardise JEN's commercial position in future negotiations with prospective service providers.	Jemena's customers would be disadvantaged by facing higher long term costs if Jemena's negotiation power with prospective service providers.

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RIN response template, Sheet 1. Opex, Cells C36, D36 and E36	Unaccounted for gas	Financial details for UAG	Market sensitive cost inputs	Revealing JGN's UAG allowance and spend would diminish JGN's ability to obtain competitive UAG prices	JGN considers that these details should remain confidential so as to not disadvantage Jemena (and therefore its customers) when seeking to procure this gas via competitive tender.	As UAG is a pass through item, JGN customers would be worse off should JGN's tendering position deteriorate.
RIN response template, Sheet 2a. Capital contributions,, Cells D9 – D56	Contributions of a single entity	Capital contributions	Personal information	These relate to contributions from individual customers and is not concealed via aggregation. Note that capital contribution totals need to be removed to ensure individual values cannot be back solved.	This is private information relating to contributions from individual customers and is not concealed via aggregation.	This is private information relating to contributions from individual customers and is not concealed via aggregation.

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RIN response template, Sheet 3. Pass through, Cells I9, I10, H9 and H10.	Description of cost impact and approved pass through amount for unaccounted for gas (UAG) and licence fees.	Financial details for UAG and Licence Fees	Market sensitive cost inputs	Revealing JGN's UAG pass through amount would diminish JGN's ability to obtain competitive UAG prices.	JGN considers that these details should remain confidential so as to not disadvantage Jemena (and therefore its customers) when seeking to procure this gas via competitive tender. Note that the Licence fee figure is captured due to an ability to infer the UAG costs if it were to be published. This is because a combined UAG and Licence fee value is available as part of JGN's 2014 tariff variation decision.	As UAG is a pass through item, JGN customers would be worse off should JGN's tendering position deteriorate.

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RIN response template, Sheet 4. Extension & Expansion, Columns 'G' 'Description' and 'H' 'Why extension/expansion is required'	Detail of all extensions of low or medium pressure pipelines and expansions to the capacity of the network during the regulatory year, where total cost is greater than \$100,000	Extensions and expansions	Personal information and Information affecting the security of the network	This is private information relating to personal addresses. Additionally, identifying locations could raise a security issue.	This is private information relating to personal addresses. Additionally, identifying locations could raise a security issue.	This is private information relating to personal addresses. Additionally, identifying locations could raise a security issue.
RIN response template, Sheet 5. Debt, Entire Sheet	Details of SPIAA Group debt funding	Cost of debt	Market sensitive cost inputs	Jemena's cost of debt impacts the financing costs of its capex programs.	Releasing the information into the public domain would weaken Jemena's negotiation power with different lenders during refinancing or hedging process.	Jemena's customers would be disadvantaged by facing higher long term costs if Jemena's negotiation power with lenders is weakened.

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RIN response template, Sheet 5a. Debt instruments, Entire sheet	Details of SPIAA Group debt funding	Cost of debt	Market sensitive cost inputs	Jemena's cost of debt impacts the financing costs of its capex programs.	Releasing the information into the public domain would weaken Jemena's negotiation power with different lenders during refinancing or hedging process.	Jemena's customers would be disadvantaged by facing higher long term costs if Jemena's negotiation power with lenders is weakened.
RIN response template, Sheet 5b. Financial instruments, Entire sheet	Details of SPIAA Group debt funding	Cost of debt	Market sensitive cost inputs	Jemena's cost of debt impacts the financing costs of its capex programs.	Releasing the information into the public domain would weaken Jemena's negotiation power with different lenders during refinancing or hedging process.	Jemena's customers would be disadvantaged by facing higher long term costs if Jemena's negotiation power with lenders is weakened.